

SHARDA

Commodities Pvt. Ltd.

MCX NCDEX

FILE / FORM NO.

BRANCH NAME

CLIENT NAME

CLIENT CODE

Account Opening Form



FOR OFFICE USE ONLY

In Person Verification (IPV) Details:

Name of the person who has done the IPV: _____

Designation: _____ Employee ID: _____

Name of the Organization: Sharda Commodities Pvt. Ltd.

Date of IPV: ____ / ____ / ____ Signature of the person who has done IPV _____

Seal/Stamp of the Intermediary



Signature of the Applicant

Signature of the Authorised Signatory

ACCOUNT OPENING KIT

INDEX

Sharda Commodities Private Limited

Membership Regn. No.: MCX-16430 / NCDEX-00532

SEBI Regd. No. MCX-INZ000077631 / NCDEX-INZ000077631

REGD. OFFICE: 201, Sanghi Manor 6/2 Y.N. Road Indore - 452001 Madhya Pradesh | Tel.: 0731-4200561, 4042642, 2431810

CORPORATE OFFICE: Sanghi Manor 6/2 Y.N. Road Indore - 452001 Madhya Pradesh | Tel.: 0731-4200561, 4042642, 2431810

Email : scpl.indore@yahoo.in • **Grievance Id :** scpl.indore@yahoo.in • **CIN :** U51225MP2000PTC013945

Compliance Officer Mr. Girish Kumar Sharda, Ph.No.:9752051236, **Email Id:** gksharda@yahoo.co.in, **Website:** www.scplindore.com

S. No.	Name of the Document	Brief Significance of the Document
1	KYC (Account Opening) Application Form	CKYC form - Document captures the basic information about the constituent and an instruction/check list.
2	Uniform Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the commodities market.
3	Rights and Obligations of Members, Authorized Persons and Clients	Document stating the Rights & Obligations of member, Authorized person and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology based trading).
4	Do's and Don'ts for the Investors	Document detailing do's and don'ts for trading on exchange, for the education of the investors.
5	Tariff Sheet	Document detailing the rate/amount of brokerage and other charges levied on the client for trading on the commodity exchanges(s).
6	Policies and Procedures	Document describing significant policies and procedures of the Trading Member.
7	Authorization For Sharing Personal Information:	Document authorizing Trading Member to share personal information to receive offer & information on various products/services etc.
8	Authority to Pledge the Shares / Securities / Commodities	Document authorizing Trading Member to pledge client's shares / securities / commodities lying towards margin/collateral.
9	Verbal Order Acceptance Authorization	Document authorizing Trading Member to accept verbal order in the manner mentioned therein.
10	Format for client Opting Online Trading Facility	Document for client opting for online trading facility.
11	Electronic Contract Note[ECN]	Declaration for communication in electronic form on client Email id from Member
12	FATCA/ CRS Declaration	FATCA/CRS Declaration for Individual and Non-individual
13	Declaration for Name Mismatch	Declaration for client name mismatch
14	Consent for Proprietary Business	Declaration Consent for Proprietary Business
15	Declaration Cum Undertaking	Client Declaration Cum Undertaking
16	Trade Alerts on SMS/E-mail	Declaration request for Trade alerts through SMS/E-mail and Declaration for Mobile number
17	Format of Board Resolution	Format of Board Resolution of non-individual client
	Consent for AADHAAR Authenticaion	Consent letter for AADHAAR updation
18	Account Handling Mandate / Letter of Authority	Authorization for accepting instructions from third person
19	HUF Declaration	Declaration by Karta & all Co-Parceners
20	Format of additional RDD for Option trading	Additional RDD for Option Trading in MCX and NCDEX
21	Investor Charter –Stock Broker	Service Provide to Investors, Right of Investors, Grievance Redressal Mechanism and other
22	Nomination Form	Mandatory Nomination for Eligible Trading and Demat Accounts

- For any grievance/ dispute please contact Member Sharda Commodities Private Limited at the above address or email id: scpl.indore@yahoo.in and Phone No.0731-4042642

In case not satisfied with the response, please contact the concerned exchange(s) at

Exchange / SEBI

SEBI

MCX

NCDEX

Email ID

sebi@sebi.gov.in

grievance@mcxindia.com

askus@ncdex.com

Phone No.

022-264499500/40459950

91-22 6731 8888

91-22-6640 6666

Website

www.sebi.gov.in

www.mcxindia.com

www.ncdex.com

ACKNOWLEDGEMENT

I/We acknowledge receipt of the documents at serial 2, 3, 4 & 6. I/We have read the contents of these and agree to abide by them. I/We further understand that the copies of rest of the document mentioned in above index shall be provided to me/us after Verification / Acceptance / Execution by the broker.

Client Signature



Date

D	D	M	M	Y	Y	Y	Y
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INSTRUCTIONS/CHECK LIST FOR FILLING KYC FORM

A. IMPORTANT POINTS:

1. 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 Commodities Derivatives on behalf of company/firm/others.
2. Copies of all the documents submitted by the applicant should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the below mentioned list.
3. If any proof of identity or address is in a regional language, then translation into English is required.
4. Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
5. If correspondence & permanent address are different, then proofs for both have to be submitted.
6. Sole proprietor must make the application in his individual name & capacity.
7. For non-residents and foreign nationals, (allowed to trade subject to RBI and FIPB/FEMA guidelines and other applicable statutory approvals), copy of passport/PIO Card/OCI Card and overseas address proof is mandatory.
8. For foreign entities, CIN is optional; and in the absence of DIN no. for the directors, their passport copy should be given.
9. In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted along with other statutory approvals required for investment in commodities.
10. 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.
11. For opening an account with Depository participant of Mutual Fund, for a minor photocopy of the School Leaving Certificate /Mark sheet issued by Higher Secondary Board/Passport of Minor/Birth Certificate must be provided

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

1. Unique Identification Number (UID) (Aadhaar)/Passport/ Voter ID Card/Driving License.
2. PAN card with photograph.
3. Identity card/document with applicant's photo, issued by any of the following: Central/State Government and its

Department, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities, Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members; and Credit cards/Debit cards issued by Banks.

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

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

1. Unique Identification Number (UID) (Aadhaar)/Passport/ Voters Identity Card/Ration Card/Registered Lease or Sale Agreement of Residence/Driving License/Flat Maintenance bill/Insurance Copy.
2. Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.
3. Bank Account Statement/Passbook - Not more than 3 months old.
4. 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.
5. 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.
6. The proof of address in the name of the spouse may be accepted.
7. Self-declaration by High Court and Supreme Court judges giving the new address in respect of their own accounts.
8. For FII/sub account Power of Attorney given by FII/sub account to the Custodians (which are duly notarized and/or apostilled or consularised) that gives the registered address should be taken.

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

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

E. List of people authorized to attest the documents:

1. Notary Public, Gazetted Officer, Manager of Scheduled Commercial/Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal Should be affixed on the copy).

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

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 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 number of whole time director/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. Copies 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 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 firm 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 authorized to act as authorized signatories with specimen signatures. True copy of Society Rules and Bye Laws certified by the Chairman/Secretary
Unincorporated association or a body of individuals	<ul style="list-style-type: none"> Proof of Existence/Constitution document. Resolution of the managing body & Power of Attorney granted to transact business on its behalf Authorised Signatories list with specimen signatures.
Banks /Institutional Investors	<ul style="list-style-type: none"> Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years. Authorised signatories list with specimen signatures.
Foreign Institutional Investor (FII)	<ul style="list-style-type: none"> Copy of SEBI registration certificate Authorised Signatories list with specimen signatures

PART-I KNOW YOUR CLIENT (KYC) APPLICATION FORM (For Non-Individuals)

Acknowledgement No. _____

Sharda Commodities Private Limited

CORPORATE OFFICE: Sanghi Manor 6/2 Y.N. Road Indore- 452001 M.P.

MCX NEW CHANGE REQUEST
 NCDEX (Please tick ✓ the appropriate)

Please fill this form in **ENGLISH** and in **BLOCK LETTERS**

(Please tick ✓ the box on left margin of appropriate row where **CHANGE/CORRECTON** is required and provide the details in the corresponding row)

A.	IDENTITY DETAILS								
<input type="checkbox"/>	1. Name of the Applicant								
<input type="checkbox"/>	2a. Date of incorporation <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table> 2b. Place of incorporation	D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y		
<input type="checkbox"/>	3. Date of commencement of business <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y		
<input type="checkbox"/>	4a) PAN								
<input type="checkbox"/>	4b) Registration No. (e.g. CIN)								
<input type="checkbox"/>	5. Status (please tick ✓ any one) Private Limited Co. <input type="checkbox"/> Public Ltd. Co. <input type="checkbox"/> Body Corporate <input type="checkbox"/> Partnership <input type="checkbox"/> Trust Charities <input type="checkbox"/> NGO's <input type="checkbox"/> FI <input type="checkbox"/> FII <input type="checkbox"/> HUF <input type="checkbox"/> AOP <input type="checkbox"/> Bank <input type="checkbox"/> Government Body Non-Government Organization <input type="checkbox"/> Defense Establishment <input type="checkbox"/> BOI <input type="checkbox"/> Society <input type="checkbox"/> LLP <input type="checkbox"/> FPI-Category I FPI-Category II <input type="checkbox"/> FPI-Category III <input type="checkbox"/> Others (Please specify)								

B.	ADDRESS DETAILS
<input type="checkbox"/>	1. Address for Correspondence
	City/Town/Village _____ PIN Code _____ State _____ Country _____
	2. Specify the proof of address submitted for correspondence address
<input type="checkbox"/>	3. Contact Details
	Tel. (Off.) _____ with STD Code _____ Tel. (Res.) _____ with STD Code _____ Fax No. _____ with STD Code _____ Mobile No. _____ Email ID _____
<input type="checkbox"/>	4. Registered Address (if different from above)
	City/Town/Village _____ PIN Code _____ State _____ Country _____

C.	OTHER DETAILS (If space is insufficient, enclose these details separately [Illustrative format enclosed on page no. 5-6])
<input type="checkbox"/>	1. Name, PAN, residential address and photographs of Promoters/ Partners/Karta/Trustees and whole time directors:
<input type="checkbox"/>	2a. DIN of whole time directors
<input type="checkbox"/>	2b. Aadhaar number of Promoters/Partners/Karta

D. 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.	<input type="checkbox"/>									
Date	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td></tr></table>	D	D	M	M	Y	Y	Y	Y	Name & Signature of the Authorised Signatory(ies)
D	D	M	M	Y	Y	Y	Y			

FOR OFFICE USE ONLY	
In Person Verification (IPV) Details: Name of the person who has done the IPV: _____ Designation: _____ Employee ID: _____ Name of the Organization: <u>Sharda Commodities Pvt. Ltd.</u> Date of IPV: ____ / ____ / ____ Signature of the person who has done IPV _____	Seal/Stamp of the Intermediary
<input type="checkbox"/> Originals Verified and Self Attested Document copies received	Date ____ / ____ / ____
Signature of the Authorised Signatory	

PART-II FOR INDIVIDUALS & NON-INDIVIDUALS

PHOTOGRAPH

Please affix Authorized Signatories recent passport size photographs

Sign across it

Please fill this form in ENGLISH and in BLOCK LETTERS.

A. OTHER DETAILS		
1. Gross Annual Income Details (please specify)	Income Range per annum	Net- worth Amount (`)
	<input type="checkbox"/> Below `1 Lac <input type="checkbox"/> `1-5 Lac <input type="checkbox"/> `5-10 Lac <input type="checkbox"/> `10-25 Lac <input type="checkbox"/> `25 Lac -1 Crore <input type="checkbox"/> More than `1Crore	As on (date) D D M M Y Y Y Y (Net worth should not be older than 1 year)
2. Occupation (please tick any one and give brief details):	<input type="checkbox"/> Private Sector <input type="checkbox"/> Public Sector <input type="checkbox"/> Government Service <input type="checkbox"/> Business <input type="checkbox"/> Professional <input type="checkbox"/> Farmer <input type="checkbox"/> Housewife <input type="checkbox"/> Others (Specify)	
3. Please tick, as applicable	<input type="checkbox"/> Politically Exposed Person (PEP)	<input type="checkbox"/> Related to a Politically Exposed Person (PEP)
	<input type="checkbox"/> Not a Politically Exposed Person (PEP)	<input type="checkbox"/> Not Related to a Politically Exposed Person (PEP)

B. BANK ACCOUNT(S) DETAILS (1)		
Bank Name		
Branch Address		
City/Town/Village		PIN Code
State	Country	
Bank Account No.		
Bank Account Type	<input type="checkbox"/> Savings <input type="checkbox"/> Current <input type="checkbox"/> Others	
MICR Code	IFSC	
BANK ACCOUNT(S) DETAILS (2)		
Bank Name		
Branch Address		
City/Town/Village		PIN Code
State	Country	
Bank Account No.		
Bank Account Type	<input type="checkbox"/> Savings <input type="checkbox"/> Current <input type="checkbox"/> Others	
MICR Code	IFSC	

Note: Provide a copy of cancelled cheque leaf/pass book/bank statement specifying name of the client, MICR Code or/and IFSC Code of the bank

C. DEPOSITORY ACCOUNT(S) DETAILS, If available	
Depository Participant Name	<input type="text"/>
Depository Name (NSDL/CDSL)	<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
Beneficiary Name	<input type="text"/>
DP ID	<input type="text"/> Beneficiary ID (BO ID) <input type="text"/>

Note: Provide a copy of either Demat Master or a recent holding statement issued by DP bearing name of the client.

D. TRADING PREFERENCES			
Note: Please sign in the relevant boxes against the Exchange with which you wish to trade. The Exchange not chosen should be struck off by the client.			
S. No	Name of the National Commodity Exchanges	Date of Consent for trading on concerned Exchange	Signature of the Client
1.	MCX	<input type="text"/>	Sign if applicable
2.	NCDEX	<input type="text"/>	Sign if applicable
[In case of allowing a client for trading on any other exchange at a later date, which is not selected now, a separate consent letter is required to be obtained by the Member from client and to be kept as enclosure with this document]			

E. INVESTMENT/TRADING EXPERIENCE	
<input type="checkbox"/> No Prior Experience	Years in Commodities <input type="text"/> Years in other investment related fields <input type="text"/>

F. SALES TAX REGISTRATION DETAILS (As applicable, State wise)	
Local Sales Tax State Registration No	<input type="text"/> Validity Date <input type="text"/>
Name of the State	<input type="text"/>
Central Sales Tax Registration No	<input type="text"/> Validity Date <input type="text"/>
Other Sales Tax State Registration No	<input type="text"/> Validity Date <input type="text"/>
Name of the State	<input type="text"/>

G. VAT DETAILS (As Applicable, State wise)	
Local VAT / GST Registration No	<input type="text"/> Validity Date <input type="text"/>
Name of the State	<input type="text"/>
Other VAT / GST Registration No	<input type="text"/> Validity Date <input type="text"/>
Name of the State	<input type="text"/>

H. PAST REGULATORY ACTIONS	
Details of any action/proceedings initiated/pending/taken by SEBI/SEBI/Stock exchange/Commodity exchange/any other authority against the client or its Partners/promoters/whole time directors/authorized persons in charge during the last 3 years.	
<input type="text"/>	
<input type="text"/>	

I. DEALINGS THROUGH OTHER MEMBERS

If client is dealing through any other Member, provide the following details (in case dealing with multiple Members/AP's, provide details of all in a separate sheet containing all the information as mentioned below :

Member/s / Authorized Person (AP)'s Name											
Exchange					Exchange's Registration No.						
Concerned Member's Name with whom the AP is registered											
Registered Office											
Address											
City/Town/Village								PIN Code			
State						Country					
Phone No						Fax No					
Email Id											
Website											
Client Code											
Details of disputes/dues pending from/to such Member/AP											

J. INTRODUCER DETAILS (Optional)

Name of the Introducer											
Status of the Introducer											
<input type="checkbox"/> Authorized Person <input type="checkbox"/> Existing Client <input type="checkbox"/> Others (please specify)											
Address of the Introducer											
City/Town/Village											
State								Country			
Phone No. of Introducer						Signature of the Introducer					

K. ADDITIONAL DETAILS

Whether you wish to receive communication from Member in electronic form on your Email-id Yes No
 {If yes then please fill in Appendix-A }

L. 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 of the Nominee											
City/Town/Village											
State								Country			
PIN Code											
Phone No. of Nominee											

IF NOMINEE IS A MINOR, DETAILS OF GUARDIAN	
Name of Guardian	<input type="text"/>
Address of the Guardian	<input type="text"/>
City/Town/Village	<input type="text"/> PIN Code <input type="text"/>
State	Country <input type="text"/>
Phone No. of Guardian	Signature of Guardian <input type="text"/>

WITNESSES (Only applicable in case the account holder has made nomination)	
Name	Name <input type="text"/>
Address	Address <input type="text"/>
	<input type="text"/>
PIN Code	PIN Code <input type="text"/>
Signature <input checked="" type="checkbox"/>	Signature <input checked="" type="checkbox"/>

DECLARATION	
<p>1. I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.</p> <p>2. I/We confirm having read/been explained and understood the contents of the tariff sheet and all voluntary/non-mandatory documents.</p> <p>3. I/We further confirm having read and understood the contents of the 'Right and Obligations' document(s), 'Risk Disclosure Document' and 'Do's and Dont's'. 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 :</p>	
Place <input type="text"/>	
Date <input type="text"/>	Signature of Client/(all) Authorized Signatory(ies)*
* Form need to be signed by all the authorized signatories.	

FOR OFFICE USE ONLY	
UCC Code allotted to the Client	<input type="text"/>
	Documents verified with Originals
Name of the Employee/AP/SB*	<input type="text"/>
Employee Code	<input type="text"/>
Designation of the Employee/AP/SB*	<input type="text"/>
Date	<input type="text"/>
Signature	<input type="text"/>

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 :

Date

* AP : Authorised Person, SB: Sub-Broker

Signature of the Authorised Signatory

Seal/Stamp of the Member

The Exchange does not expressly or impliedly, guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure documents nor has the Exchange 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 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 and are subject to Rules, Byelaws and Business Rules of the Exchange guidelines prescribed by SEBI from time to time and circulars as may be issued by the Exchange 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:-

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

i. 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.

ii. Risk of Lower Liquidity

a. 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 executed at all.

b. 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.

iii. Risk of Wider Spreads

- a. 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.

iv. Risk-reducing orders

- a. 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.
- b. 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 commodity derivatives contract.
- c. A "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.
- d. A 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.

v. Risk of News Announcements

- a. 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.

vi. Risk of Rumours

- a. 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.

vii. System Risk

- a. 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.
- b. 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.
- c. 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.

viii. System/ Network Congestion

- a. 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.

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

Effect of "Leverage" or "Gearing":

- a. 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.
- b. 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.
- c. 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.
- d. 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.
- e. 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.

- f. 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.

3. 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 member.

4. General

i. 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.

ii. Commission and other charges:

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.

- iii. For rights and obligations of the Members/ Authorised Persons/ clients, please refer to Annexure 3
- iv. 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.
- v. The term 'member' shall mean and include a Trading Member or a Member/Broker, who has been admitted as such by the Exchange and got a Unique Member Code from SEBI.

as prescribed by SEBI and Commodity Exchanges

1. The client shall invest/trade in those commodities /contracts/other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Business Rules/ Regulations of Exchanges SEBI and circulars/notices issued there under from time to time.
2. 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.
3. 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.
4. 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.
5. 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.
6. Requirements of professional diligence
 - a. The Member must exercise professional diligence while entering into a financial contract or discharging any obligations under it.
 - b. "professional diligence" means the standard of skill and care that a Member would be reasonably expected to exercise towards a Client, commensurate with–
 - i. honest market practice;
 - ii. the principle of good faith;
 - iii. the level of knowledge, experience and expertise of the Client;
 - iv. the nature and degree of risk embodied in the financial product* or financial service being availed by the Client; and
 - v. the extent of dependence of the Client on the Member.
7. The Authorized Person shall provide necessary assistance and co-operate with the Member in all its dealings with the client(s).

*Commodity derivative contract

CLIENT INFORMATION

8. 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.
9. 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; therefore, subject to specific acceptance by the client.
10. 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.
- 11.A. Protection from unfair terms in financial contracts**
 - a. An unfair term of a non-negotiated contract will be void.
 - b. A term is unfair if it–
 - i. causes a significant imbalance in the rights and obligations of the parties under the financial contract, to the detriment of the Client; and
 - ii. is not reasonably necessary to protect the legitimate interests of the Member.
 - c. The factors to be taken into account while determining whether a term is unfair, include –
 - i. the nature of the financial product or financial service dealt with under the financial contract;
 - ii. the extent of transparency of the term;
- **contracts offered by commodity exchanges
 - iii. the extent to which the term allows a Client to compare it with other financial contracts for similar financial products or financial services; and
 - iv. the financial contract as a whole and the terms of any other contract on which it is dependent.
- d. A term is transparent if it–
 - i. is expressed in reasonably plain language that is likely to be understood by the Client;
 - ii. is legible and presented clearly; and

- iii. is readily available to the Client affected by the term.
 - e. If a term of a financial contract is determined to be unfair under point 11.A.c, the parties will continue to be bound by the remaining terms of the financial contract to the extent that the financial contract is capable of enforcement without the unfair term.
- 11.B.
 - a. "Non-negotiated contract" means a contract whose terms, other than the terms contained in point 11.C. (given below) are not negotiated between the parties to the financial contract and includes –
 - i. a financial contract in which, relative to the Client, the Member has a substantially greater bargaining power in determining terms of the financial contract; and
 - ii. a standard form contract.
 - b. "Standard form contract" means a financial contract that is substantially not negotiable for the Client, except for the terms contained in point 11.C.
 - c. Even if some terms of a financial contract are negotiated in form, the financial contract may be regarded as a non-negotiated contract if so indicated by–
 - i. an overall and substantial assessment of the financial contract; and
 - ii. the substantial circumstances surrounding the financial contract
 - d. In a claim that a financial contract is a non-negotiated contract, the onus of demonstrating otherwise will be on the Member.
- 11.C.
 - a. The above does not apply to a term of a financial contract if it–
 - i. defines the subject matter of the financial contract;
 - ii. sets the price that is paid, or payable, for the provision of the financial product or financial service under the financial contract and has been clearly disclosed to the Client; or
 - iii. is required, or expressly permitted, under any law or regulations.
 - b. The exemption under point 11.C does not apply to a term that deals with the payment of an amount which is contingent on the occurrence or non-occurrence of any particular event.
- 12. 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.
- 13.A. Protection of personal information and confidentiality
 - a. "Personal information" means any information that relates to a Client or allows a Client's identity to be inferred, directly or indirectly, and includes –
 - i. name and contact information;
 - ii. biometric information, in case of individuals
 - iii. information relating to transactions in, or holdings of, financial products
 - iv. information relating to the use of financial services; or
 - v. such other information as may be specified.
- 13.B.
 - a. A Member must –
 - i. not collect personal information relating to a Client in excess of what is required for the provision of a financial product or financial service;
 - ii. maintain the confidentiality of personal information relating to Clients and not disclose it to a third party, except in a manner expressly permitted under point 13.B. b.;
 - iii. make best efforts to ensure that any personal information relating to a Client that it holds is accurate, up to date and complete;
 - iv. ensure that Clients can obtain reasonable access to their personal information, subject to any exceptions that the Regulator may specify; and
 - v. allow Clients an effective opportunity to seek modifications to their personal information to ensure that the personal information held by the Member is accurate, up to date and complete.
 - b. A Member may disclose personal information relating to a Client to a third party only if–
 - i. it has obtained prior written informed consent of the Client for the disclosure, after giving the Client an effective opportunity to refuse consent;
 - ii. the Client has directed the disclosure to be made;
 - iii. the Regulator has approved or ordered the disclosure, and unless prohibited by the relevant law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;

- iv. the disclosure is required under any law or regulations, and unless prohibited by such law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;
- v. the disclosure is directly related to the provision of a financial product or financial service to the Client, if the Member –
 - 1. informs the Client in advance that the personal information may be shared with a third party; and
 - 2. makes arrangements to ensure that the third party maintains the confidentiality of the personal information in the same manner as required under this Part; or
- vi. the disclosure is made to protect against or prevent actual or potential fraud, unauthorised transactions or claims, if the Member arranges with the third party to maintain the confidentiality of the personal information in the manner required under this Part.-
- c. “Third party” means any person other than the concerned Member, including a person belonging to the same group as the Member.

Requirement of fair disclosure both initially and on continuing basis

- a. Member must ensure fair disclosure of information that is likely to be required by a Client to make an informed transactional decision.
- b. In order to constitute fair disclosure, the information must be provided –
 - i. sufficiently before the Client enters into a financial contract, so as to allow the Client reasonable time to understand the information;
 - ii. in writing and in a manner that is likely to be understood by a Client belonging to a particular category; and
 - iii. in a manner that enables the Client to make reasonable comparison of the financial product or financial service with other similar financial products or financial services.
- c. The types of information that must be disclosed to a Client in relation to a financial product or financial service, which may include information regarding –
 - i. main characteristics of the financial product or financial service, including its features, benefits and risks to the Client;
 - ii. consideration to be paid for the financial product or financial service or the manner in

- which the consideration is calculated;
- iii. existence, exclusion or effect of any term in the financial product or financial contract;
- iv. nature, attributes and rights of the Member, including its identity, regulatory status and affiliations;
- v. contact details of the Member and the methods of communication to be used between the Member and the Client;
- vi. rights of the Client to rescind a financial contract within a specified period; or
- vii. rights of the Client under any law or regulations.
- a. Member must provide a Client that is availing a financial product or financial service provided by it, with the following continuing disclosures –
 - i. any material change to the information that was required to be disclosed under point 14.A at the time when the Client initially availed the financial product or financial service;
 - ii. information relating to the status or performance of a financial product held by the Client, as may be required to assess the rights or interests in the financial product or financial service; and
 - iii. any other information that may be specified.
- b. A continuing disclosure must be made –
 - i. within a reasonable time-period from the occurrence of any material change or at reasonable periodic intervals, as applicable; and
 - ii. in writing and in a manner that is likely to be understood by a Client belonging to that category.

MARGINS

- 15. 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 or SEBI) and the client shall be obliged to pay such margins within the stipulated time.
- 16. 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

17. 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.
18. 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.
19. 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.
20. 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).
21. 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

22. 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

23. 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.

24. 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

25. The Member shall co-operate in redressing grievances of the client in respect of all transactions routed through it.
26. 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 there under as may be in force from time to time.
27. 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.
28. Requirement for each Member to have an effective grievance redress mechanism which is accessible to all its Clients
 - a. A Member must have in place an effective mechanism to receive and redress complaints from its Clients in relation to financial products or financial services provided by it, or on its behalf, in a prompt and fair manner.
 - b. A Member must inform a Client, at the commencement of relationship with the Client and at such other time when the information is likely to be required by the Client, of –
 - i. the Client's right to seek redress for any complaints; and
 - ii. the processes followed by the Member to receive and redress complaints from its Clients.

29. A. Suitability of advice for the Client

Right to receive advice that is suitable taking into account the relevant personal circumstances of the Client, such as the Clients financial circumstances and needs. This obligation would apply to persons who render advice to Clients and the regulator may specify categories of financial products and service that necessarily require

such advice to be given.

- a. A Member must –
 - i. make all efforts to obtain correct and adequate information about the relevant personal circumstances of a Client; and
 - ii. ensure that the advice given is suitable for the Client after due consideration of the relevant personal circumstances of the Client.
- b. If it is reasonably apparent to the Member that the available information regarding the relevant personal circumstances of a Client is incomplete or inaccurate, the Member must warn the Client of the consequences of proceeding on the basis of incomplete or inaccurate information.
- c. If a Client intends to avail of a financial product or financial service that the Member determines unsuitable for the Client, the Member –
 - i. must clearly communicate its advice to the Client in writing and in a manner that is likely to be understood by the Client; and
 - ii. may provide the financial product or financial service requested by the Client only after complying with point 29.A.a and obtaining a written acknowledgement from the Client.

30. Dealing with conflict of interest

In case of any conflict between the interests of a Client and that of the Member, preference must be given to the Client interests.

- a. A member must –
 - i. provide a Client with information regarding any conflict of interests, including any conflicted remuneration that the Member has received or expects to receive for making the advice to the Client; and
 - ii. give priority to the interests of the Client if the Member knows, or reasonably ought to know, of a conflict between –
 1. its own interests and the interests of the Client; or
 2. the interests of the concerned Member and interests of the Client, in cases where the Member is a financial representative.
- b. The information under point 16a.i. must be given to the Client in writing and in a manner that is likely to be understood by the Client and a written acknowledgement of the receipt of the information should be obtained from the Client.
- c. In this section, “conflicted remuneration” means any benefit, whether monetary or non-monetary, derived by a Member from persons other than

Clients, that could, under the circumstances, reasonably be expected to influence the advice given by the Member to a Client.

TERMINATION OF RELATIONSHIP

31. 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.
32. 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.
33. 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

34. 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.
35. 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.
36. The Member shall make pay out of funds 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.

37. 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.
38. The Member shall send margin statements to the clients on monthly basis. 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.
39. 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.
40. 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 client lodge a claim with the Exchange within the stipulated period and with the supporting documents.

Protection from unfair conduct which includes misleading conduct & abusive conduct

- a. Unfair conduct in relation to financial products or financial services is prohibited.
- b. "Unfair conduct" means an act or omission by a Member or its financial representative that significantly impairs, or is likely to significantly impair, the ability of a Client to make an informed transactional decision and includes –
 - i. misleading conduct under point 41.B
 - ii. abusive conduct under point 41.C
 - iii. such other conduct as may be specified.
- a. Conduct of a Member or its financial representative in relation to a determinative factor is misleading if it is likely to cause the Client to take a transactional

decision that the Client would not have taken otherwise, and the conduct involves –

- i. providing the Client with inaccurate information or information that the Member or financial representative does not believe to be true; or
 - ii. providing accurate information to the Client in a manner that is deceptive.
- b. In determining whether a conduct is misleading under point 41.B.a, the following factors must be considered to be "determinative factors" –
- i. the main characteristics of a financial product or financial service, including its features, benefits and risks to the Client;
 - ii. the Client's need for a particular financial product or financial service or its suitability for the Client;
 - iii. the consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated;
 - iv. the existence, exclusion or effect of any term in a financial contract, which is material term in the context of that financial contract;
 - v. the nature, attributes and rights of the Member, including its identity, regulatory status and affiliations; and
 - vi. the rights of the Client under any law or regulations.
- a. A conduct of a Member or its financial representative in relation to a financial product or financial service is abusive if it –
- i. involves the use of coercion or undue influence; and
 - ii. causes or is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise.
- b. In determining whether a conduct uses coercion or undue influence, the following must be considered –
- i. the timing, location, nature or persistence of the conduct;
 - ii. the use of threatening or abusive language or behavior;
 - iii. the exploitation of any particular misfortune or circumstance of the Client, of which the Member is aware, to influence the Client's decision with regard to a financial product or financial service;
 - iv. any non-contractual barriers imposed by the Member where the Client wishes to exercise rights under a financial contract, including-

- v. the right to terminate the financial contract;
- vi. the right to switch to another financial product or another Member and
- vii. a threat to take any action, depending on the circumstances in which the threat is made.

ELECTRONIC CONTRACT NOTES (ECN)

42. 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.
43. 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-tamper able.
44. 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.
45. The Member shall retain ECN and acknowledgement of the e-mail in a soft and non-tamper able form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/circulars/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 SEBI/ 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.
46. 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 within 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.

47. 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.
48. The Electronic Contract Note (ECN) declaration form will be obtained from the Client who opts to receive the contract note in electronic form. This declaration will remain valid till it is revoked by the client.

LAW AND JURISDICTION

49. 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.
50. 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.
51. 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.
52. 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 there under of the Exchanges/SEBI.
53. All additional voluntary/non mandatory 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.
54. 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.
55. Members are required to send account statement to their clients every month in physical form.

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.)

1. 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.
2. 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.
3. 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.
4. 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.
5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the 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.
6. 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.
7. 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.
8. 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.
9. The client is aware that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. are susceptible to interruptions and dislocations. The 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 nonexecution of his orders due to any link/system failure at the Client/Members/Exchange end for any reason beyond the control of the Member/Exchanges.

Do's

1. Trade only through Registered Members of the Exchange. Check from the Exchange website at following links to see whether the Member is registered with the Exchange: <http://www.ncdex.com/Membership/MemberDirectory.aspx> <https://www.mcxindia.com/membership/notice-board/Member-AP>
2. Insist on filling up a standard 'Know Your Client (KYC)' form before you commence trading.
3. Insist on getting a Unique Client Code (UCC) and ensure all your trades are done under the said UCC.
4. Insist on reading and signing a standard 'Risk Disclosure Agreement'.
5. Obtain a copy of your KYC and/ or other documents executed by you with the Member, from the Member.
6. Cross check the genuineness of trades carried out at the Exchange through the trade verification facility available on the Exchange website at the following links: <http://www.ncdex.com/MarketData/VerifyTrade.aspx> <https://www.mcxindia.com/en/login>
The trades can be verified online where trade information is available up to 5 working days from the trade date.
7. 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.
8. 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.
9. Obtain receipt for collaterals deposited with the Member towards margins.
10. Go through the Rules, Bye-laws, Regulations, Circulars, Directives, Notifications of the Exchange as well as of the Regulators, Government and other authorities to know your rights and duties vis-à-vis those of the Member.
11. Ask all relevant questions and clear your doubts with your Member before transacting.
12. Insist on receiving the bills for every settlement.
13. 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.
14. Scrutinize minutely both the transaction & holding statements that you receive from your Depository Participant.
15. Keep Delivery Instruction Slips (DIS) book issued by DPs in safe possession.
16. Ensure that the DIS numbers are preprinted and your account number (UCC) is mentioned in the DIS book.
17. Freeze your Demat account in case of your absence for longer duration or in case of not using the account frequently.
18. Pay required margins in time and only by Cheque and ask for receipt thereof from the Member.
19. Deliver the commodities in case of sale or pay the money in case of purchase within the time prescribed.
20. Understand and comply with accounting standards for derivatives.
21. 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.
22. 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.
23. 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.
24. The payout of funds or delivery of commodities (as the case may be) shall not be made to you within one working day from the receipt of payout from the Exchange, in case you have given specific authorization for maintaining running account to the member. Thus, in this regard, the running account authorization provided by you to the Member shall be 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 commodity exchanges.
25. 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.
26. 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.
 27. In case your problem/grievance/issue 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

1. Do not deal with any unregistered intermediaries.
2. Do not undertake off-market transactions as such transactions are illegal and fall outside the jurisdiction of the Exchange.
3. Do not enter into assured returns arrangement with any Member
4. Do not get carried away by luring advertisements, rumours, hot tips, explicit/ implicit promise of returns, etc.

5. Do not make payments in cash/ take any cash towards margins and settlement to/ from the Member.
6. Do not start trading before reading and understanding the Risk Disclosure Agreement.
7. Do not neglect to set out in writing, orders for higher value given overphone.
8. Do not accept unsigned/duplicate contract note/ confirmation memo.
9. 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 member 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.

TARIFF SHEET

BROKERAGE

 NCDEX

 MCX

 BOTH

Brokerage Slab in %	Minimum Paisa	Open Position Charges	One Side / Both Side

OTHER CHARGES:

Nature of Charges		Applicable Charges
a)	Annual Subscription Fee for EXE Based Diet / Now Users	
b)	Administrative Charges - Offline for offline order on per executed order	
c)	Monthly/ Quarterly Physical Statements dispatch	
d)	Delayed Payment Charges – On overdue balance towards trading (Standard rate per annum)	

In addition to brokerage additional charges including statutory levies i.e. stamp duty, exchange transaction charges, service tax, CTT, SEBI turnover fees other taxes and levies, investor protection fund fees etc. charged by the statutory authorities/ Exchange(s), delayed payment charges, cheque bounce charges, delivery shortage penalty as may be applicable will be levied. For details please login on our website :

I/We understand that economic condition change over time and therefore agree that Sharda Commodities Pvt. Ltd. is authorized to change the tariff in future.

Client Signature 

Date

D	D	M	M	Y	Y	Y	Y
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**POLICY AND PROCEDURE AS APPLICABLE TO CLIENTS OF SHARDA COMMODITIES PVT. LTD.
FOR DEALING IN COMMODITIES EXCHANGES**

1. Trading Related

- 1.1 The Broker (also referred to as Member, Exchange Member and/or as referred in bye laws, rules, regulations of the Exchange) recommends that Client (also referred to as Constituent, Non-member Client and/or as referred in bye laws, rules, regulations of the Exchange) places orders in writing and takes acknowledgement as per the format available from the Broker, so as to avoid any future disputes. The Client may also choose to place orders verbally (by visiting the branch or through telephone), through e-mail, SMSs and /or through Internet based trading terminal which can be provided to the Client upon requirement of Client. The Client may authorize his authorized representative to carry out the above whose orders shall be binding on the Client.
- 1.2 The Broker advises that it is preferable that Client gives orders on the day the Client desires to trade, including orders for modification/ cancellation, which the Broker will punch in the trading system on a best efforts basis. However, if Client chooses to give orders in aftermarket hours then upon specific instruction of the Client, the Broker may attempt to enter them in the trading system on the next trading day however it may not be possible in all instances to do so.
- 1.3 Orders given by Client may or may not result in trades and the Client should continuously monitor the final outcome of the order. Where orders have resulted in trades the same may or may not result in delivery and the Client should continuously monitor his pay in / payout obligations.
- 1.4 The Client is informed that as an additional service measure the Broker provides online access through its web portal for which Client has been provided Online Login / CRN and password, Client is able to go through entire trading, holding, contract note, bill and other details and can download / print the same through this facility. Client must access transactions in his account on regular basis and report discrepancies if any observed urgently to the Broker so as to enable Broker to take such remedial action as may be possible.
- 1.5 No employee, Authorised Person, director or any other agent of the Broker is authorized to offer any Portfolio Management Services or Portfolio Advisory Services or to give any assurances of profits, or to manage the account of

the Client in any discretionary manner. The Client must make his own decisions regarding suitability of orders/investments and if need be rely upon his own independent advisers whether in matters of orders/trades or in the matters relating to taxation etc. Accordingly the Client should not enter into any personal/private mutual understanding with any employee, Authorised Person, director or any other agent of the Broker.

- 1.6 The Broker will not be providing the Client with any legal, tax, investment or accounting advice or advice regarding the suitability or profitability of any trading or investment and as such all trading / investment and disinvestment decisions are based on the Client's own evaluation of financial circumstances and investment objectives. This extends to any decision made by the Client on the basis of any information (including research reports) whether paid for or given free, that may be made available by the Broker including that on the website/trading platform/through SMS/ email / letters etc. The Broker does not represent that the information, research / opinions if given is/are accurate or complete or shall be so. The Client is advised that any information based on the research of the Broker or other external sources is merely an estimation of the viability or otherwise of certain investments, and the Broker shall not be deemed to have assumed any responsibility for such information. The Client should seek independent professional advice regarding the suitability of any investment decision. Broker or any of its officers, directors, employees, agents, subsidiaries, affiliates or business associates shall not be liable for any trading losses or other losses, costs or damage incurred by the Client consequent upon relying on information, research / opinions or advice or any other information by the Broker. The facilities/data/research shall be provided to Client on as is where is basis only, for personal use and all rights in the same shall exclusively rest with the Broker, and Client is not entitled to share it whether for consideration or otherwise with any third party without a formal written authorisation by the Broker.
- 1.7 Where prima-facie it appears that trading system is suffering from some problems such as incorrect trading / holding/ open positions being shown etc. the Client should immediately bring the problem to the notice of the Broker

and act only after the problem has been resolved / or as per advise given by the Broker. The Client understands that any action of Client in such situation without informing the Broker or not acting in accordance with the directions of the Broker may cause loss in his account or may cause loss to be suffered by Broker / any other Client, which Client may need to make good.

1.8 The Broker may record conversations of the Client over telephone/in person however the Broker shall not be obliged to do so and absence of availability of recordings shall not render any order/transaction unenforceable against the Client, in as much as the orders can be placed over mobile phones, through visiting the branch and the recorded orders are also liable to damage/erasure on account of virus/capacity overrun of the machine and not all lines are on recording machines.

1.9 Subject to regulatory requirements of particular mode to be used for certain information / documents, the Broker may send various information such as, documents, bills, margin statements, statement of accounts etc., to the Client through any one or more of the following means i.e. post, registered post, speed post, courier, telegram, voice mail, SMS, telephone, messages on trading platform, through word of mouth by the agents of the Broker, by displaying it on the website of the Broker or making it available as a download from the website of the Broker, displaying it on the notice board of the branch, newspaper advertisements or if circumstances so require, by broadcast over radio/television and where the Client has provided email address, then these information may also be sent by the Broker through email. The service providers such as postal authorities, Courier Company, phone / SMS service providers etc., shall be agents of the Client and the delivery of the information shall be complete when the Broker delivers the communications to such service providers.

1.10 The Client should review all information sent to the Client including contract notes etc. immediately upon receipt and revert to the Broker with the discrepancy if any (including if any trades in the account are not as per Client directions / orders) at the earliest (and in any case within exchange / regulator prescribed time limit, if applicable) of the receipt of the same to allow the Broker to take remedial steps if any which are possible. Client is further advised that due to above regular dissemination / dispatch of information the Client shall know the quantum of funds / securities etc.

which should be received by him in regular course of trading etc. Therefore where Client comes in possession of assets of the Broker (including those of any third party such as bank / other Clients) which do not appear to belong to him, (whether due to system, software / hardware and / or human failure / fraudulent acts) the same shall be held by the Client in trust and returned suo-moto to the Broker.

1.11 The Client shall forthwith cease trading and inform the Broker in the event the Client becomes ineligible to deal with the Broker on account of any court, exchange or regulatory action.

1.12 The Broker shall be entitled to disseminate information about defaults made by the Client to third parties.

1.13 The Client shall not work as an Authorised Person without prior written permission of the Broker and only after seeking appropriate registration with respective registering authorities.

1.14 The Client shall also not deal through the Broker on an exchange of which the Client himself is a Broker, except with prior written permission from relevant authority. The Client shall also not deal through other Broker on an exchange of which the Client himself is an Authorised Person, except with prior written permission from relevant authority.

1.15 The Broker shall be entitled to maintain books of accounts of the Client separately/ collectively across exchanges/segments of exchanges and/or other services rendered by Broker to Clients.

1.16 The records as provided by the Broker through contract notes, bills, statement of accounts, statement of margin etc. shall be the official records to determine the obligations of Broker and the Client. Printouts taken from trading system or any such downloads etc. which are taken by the Client from trading system may not give the correct picture and therefore shall not be the official record which bind the Broker and the Client.

1.17 The Client shall upgrade to the newer versions of trading software/back-office software etc. on account of changes made by the Broker and/or any other service provider like depositories/Banks etc.

1.18 The existence of Broker Client relationship does not imply that Broker is liable to provide each and every service to the Client, and services may not be provided in case the Client does not fulfill the necessary conditions for the same

- 1.19 Client is informed that any loss due to any erroneous order entry / erroneous order modification or otherwise may be entertained by the Broker only to the extent of insurance claim received.
- 1.20 The Client shall not, either acting alone or in concert with others, directly or indirectly holds and control excess number of permitted contracts as fixed by exchange from time to time. The Client shall not exercise a long or short position, whereby Client would have either acting alone or in concert with others, directly or indirectly exercised in excess of permitted limits as fixed by exchange from time to time.
- 1.21 The Broker provides electronic password generation facility to its clients and the Client understands that using this facility the Client can generate / change password for his account. The Client hereby agrees and accepts that the Broker in no way shall be responsible for any delay in receipt of password from the system. The Client shall be solely responsible for maintaining secrecy of the password, so generated/ changed, and the Broker in no way shall be responsible for the misuse of the said password by any person other than the Client / authorized person of the Client.

2. Exposure and Margin Related

- 2.1 The Broker may from time to time impose and vary limits on the orders that the Client can place through the Broker's trading system (including exposure limits, turnover limits, limits as to the number, value and/or kind of commodities/ contracts in respect of which orders can be placed etc.). The Client is being made aware that the Broker may need to vary or reduce the limits or impose new limits urgently on the basis of the Broker's risk perception and other factors considered relevant by the Broker including but not limited to limits on account of exchange/ regulatory directions/ limits (such as Broker level/ market level limits in commodity specific / volume specific exposures etc.), and the Broker may be unable to inform the Client of such variation, reduction or imposition in advance. The Client is being made aware that under such circumstances the orders of the Client have to be in accordance with revised parameters, which may even result into loss to the Client.
- 2.2 The Client is not entitled to trade without adequate margin / security and that it shall be Client's responsibility to ascertain beforehand the margin / security requirements for Client's orders / trades / deals and to ensure that the

required margin / security is made available to the Broker in such form and manner as may be required by the Broker. If the Client's order is executed despite a shortfall in the available margin, the Client shall make up the shortfall suo motu immediately. The Client is further informed that Client shall be responsible for all orders (including any orders that may be executed without the required margin in the Client's account) &/ or any claim / loss/ damage arising out of the non-availability /shortage of margin / security required by the Broker &/ or exchange &/ or regulator.

- 2.3 The Broker is entitled to vary the form (i.e., the replacement of the margin / security in one form with the margin / security in any other form, say, in the form of money instead of bank guarantee/shares) &/ or quantum &/ or percentage of the margin & / or security required to be deposited / made available, from time to time. The margin / security deposited by the Client with the Broker are not eligible for any interest unless specifically agreed to.
- 2.4 The Broker is entitled to include /appropriate any /all pay out of funds & / or commodities towards margin / security.
- 2.5 As a measure of risk containment the Broker may subject, orders of the Client to prior risk control assessment (such as checking availability of margin) before allowing the same to go into the trading system.
- 2.6 The Client is informed that the Broker may elect to communicate / advise from time to time the parameters for the calculation of the margin / security requirements as rate(s) / percentages(s) of the dealings, through any one or more means or methods as described / prescribed and once parameters for margin / security requirements are so communicated, the Client shall monitor Client's position (dealings / trades and valuation of contracts / commodity) on Client's own and provide the required / deficit margin / security forthwith as required from time to time whether or not any margin call or such other separate communication to that effect is sent by the Broker to the Client &/ or whether or not such communication is received by the Client.
- 2.7 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 closing of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.
- 2.8 Where the Client chooses to clear his trades through Professional Clearing Broker (PCM), then the Broker shall revert such trades as are not confirmed by the PCM to the

Client who shall be then liable to not only pay all the margins on the same but to also settle the trading obligation.

3. Corporate Action

3.1 If Client has kept securities in Broker's margin account for use as margin, the Client should continuously monitor if any corporate benefits are proposed/ offered by the issuer company(ies) of such securities and get the securities transferred to his personal demat account to receive the corporate benefits, the Broker shall not be required to make the applications for proposed/ offered corporate action/ benefits Broker, in exceptional circumstances, upon specific written request, may attempt to seek corporate benefits for and on behalf of the Client while keeping the custody of securities with its own self; however the same shall be without any warranty/guarantee that the corporate benefits shall be received. The Client shall also provide funds and application etc. well in time to allow the Broker to take necessary action.

3.2 Where any corporate benefits come into the Broker's account, upon any written request / agreed settlement procedures the same shall be held as part of existing margin/collateral, and shall be released to the Client upon written request / as required under applicable regulatory requirements.

3.3 The Client understands that Broker advises and recommends that Client should take buy / sell positions in contracts with prior payment to Broker of the full settlement / expiration price of the contract. However, Client may choose, with attendant risks, to enter into contracts with payment of various margins and up front amounts payable.

4. Payment and Settlement Related

4.1 The Broker may debit charges for other services such as depository, charges on account of dishonour of cheques (but shall have the right to proceed under law against the Client for dishonor as well) , charges for issuance of demand drafts, NEFT/RTGS, SMS charges, research report charges, administrative charges-offline for offline order on per executed order, minimum processing fee charges etc. to the Client's account.

4.2 The Broker does not accept cash and in no event should the Client make any payments to the Broker, Broker's employees, Broker's Authorised Persons and/or any agent

of Broker by cash.

4.3 The Client must make payments from his own bank account through a bank instrument/ banking channel. The Broker may demand a proof that the payments are being made by the Client from his own account without which the Broker may not give credit to the Client.

4.4 PAYMENT BY THE CLIENT SHOULD BE MADE IN THE NAME OF BROKER- "Sharda Commodities Private Limited" ONLY THROUGH BANK INSTRUMENT/ BANKING CHANNEL. THE BROKER SHALL NOT BE RESPONSIBLE FOR PAYMENT IN ANY OTHER NAME.

4.5 The Client should never leave any blank instrument(s) such as cheques / depository instruction slips (DIS) etc. with Broker or Broker's employees, Broker's Authorised Persons and/or any agent of Broker, so as to disallow any mis-use, delayed banking etc.

4.6 The Broker shall make delivery of funds/commodities to the Client only after the same has been received from the exchange/clearing corporation/clearing house /the delivering Client.

4.7 Broker shall not be responsible for any claim/ loss/ damage arising out of quality variation or any delay in physical handover of delivery by exchange/ exchange accredited warehouses against purchase obligation of the Client.

4.8 Client should ensure full payment of all margins including those on derivatives transactions and should also not keep account in debit, in the event any amounts are overdue from the client towards trading or margin or on account of any other reason the broker will charge 18% per annum to client as delayed payment charges. As the cost of funds to the broker varies depending on economic conditions the rates shall be determined from time to time and will be communicated through email, SMS, web-site (Online Login), periodic a/c and other statements etc.

4.9 The Client should not indulge in trading activity which is against law, rules and regulations. Client's trading activity should not be aimed at disturbing market equilibrium or manipulating market prices etc. If the Client does so, the Broker may keep in abeyance the payout funds or commodities till such time that the Client has been able to clearly demonstrate that his actions were not mala fide in any manner.

4.10 The Broker may impose fines/ penalties etc. for any orders

/ trades / deals / actions of the Client which are contrary to this document / rules / regulations / bye laws of the exchange or any other law for the time being in force. Further where the Broker has to pay any fine or bear any punishment from any authority in connection with / as a consequence of / in relation to any of the orders / trades / deals / actions of the Client, the same shall be borne by the Client. The Client is required to pay to the Broker brokerage, commission, fees, and all taxes, duties, levies imposed by any other authority including but not limited to the exchanges (including any amount due on account of reassessment / backlogs etc.), transaction expenses, stamp duty, and service tax, incidental expenses such as postage, courier etc. as they apply from time to time to the Client's account / transactions / services that the Client avails from the Broker.

- 4.11 The Client shall submit the delivery as per contract specification for all sale obligation(s) within designated dead lines specified by the Broker, in case of any default/delay in delivery, any penalty / losses imposed by exchange/clearing corporation/ regulatory body including incidental costs will be borne by Client itself.
- 4.12 Subject to regulatory changes, all contracts culminating in delivery (which are not squared off and information for giving and taking delivery is given by the Clients) would be transaction for purchase and sales between the Clients inter-se and the Clients would be personally liable to each other though the contract and relationships are governed and regulated by the Bye Laws, Rules and Regulations of the Exchange.
- 4.13 Client shall be required to have Client's duly authorised agent to carry the work for effecting / taking the deliveries, if they do arise. Client is cautioned that if Client fails to advise the Broker in advance (number of days advance notice to vary as per requirements of exchange /contract /Broker) in writing the details of the agent who shall undertake the relevant activities, related to any delivery receipt/ transfer out, lifting of delivery, for and on behalf of the Client, the Broker shall stand authorised to appoint an agent on Client's behalf. Broker shall not be responsible for any acts of omission / commission or deficiencies of the services of the person who is appointed as agent for the Client. Client is informed that agent appointed by Broker shall be Client's direct agent and not a sub-agent of Broker and Client shall be directly responsible for all acts of omission and commission of the agent appointed for and

on behalf of the Client by the Broker. Client shall confirm the acts of agent appointed by Broker and shall bear any & all losses which may occur on account of action taken / omitted to be taken by said agent. Client is informed that all charges, cost, levies and taxes etc associated with or incidental to the deliveries including cost/fee/ charges of agent appointed for and on behalf of the Client by the Broker shall be fully borne by Client alone.

- 4.14 To avoid disputes regarding delivery (date / time etc.) of any request/ information to the Broker it is advised to the Client that all requests shall be submitted by Client in writing well in advance, and the Client shall ensure to take due receipt of each request on the photocopy/ carbon copy of such request from the manager and one more officer of relevant branch/ office of the Broker along with company stamp. Client is further informed that due to operational reasons, action on the Client's request by the Broker may not be immediate but are likely to take reasonable time, and shall be subject to other factors which disallow action upon the request being made, without limitation and as illustration existing debit balances, open exposures etc. may disallow action by Broker on payout requests.
- 4.15 Electronic Payment Gateway for Net Banking Services: The Broker may provide on its website, without additional cost to the Client, access to Electronic Payment Gateways provided by various banks for facilitating transfer of funds from the Client's bank account to the trading account of the Client with the Broker. The Client understands and accepts that the Broker is only providing access to the electronic fund transfer facility provided by the banker of the Client through the Broker's website by means of an interface and the Broker is not liable or responsible for the proper functioning or otherwise of the Gateway or for any transaction errors, losses, malfunctioning or hacking of the system by unscrupulous elements, frauds, and/or any incidental or consequential claims arising therefrom, the Client undertakes not to make the Broker a party to any litigation, claim, dispute, difference or complaint that the Client may initiate in respect of, arising out of or in connection with any transactions on the Payment Gateway and agrees that the Broker's liability shall at all time be limited to the amount actually received in its account by electronic transfer from the Client's account with the Bank.
- 4.16 Remit Funds payout electronically into client's bank account: Notwithstanding anything contained in this

document and without prejudice to the rights and obligations of the parties interse, the Client, hereby agrees and authorizes the Broker to transfer funds due for payment to the Client through Net Banking / EFT / RTGS / NEFT for the credit of designated bank account(s) of the Client details of which are given by it to the Broker. Client shall also give to the Broker a cancelled cheque leaf of the designated Bank account for this purpose. The Client agrees that it shall not hold the Broker liable if any fund is credited to wrong account(s) as a result of the Client providing incorrect account details to the Broker. The Broker reserves the right to reject request of the Client for electronic fund transfer or to discontinue the facility without assigning any reason. The Client also understands and agrees that the Broker shall not be responsible for any delay/ failure in transmission of electronic payout of funds due to any reason whatsoever and undertakes to not hold the Broker liable in this regard.

4.17 The Client hereby unequivocally understands and agrees that the Broker in its sole discretion can at any time, with prior intimation to the Client, change its tariff structure.

5. Clearing & Settlement

5.1 The Broker maintains centralized banking and commodities handling processes and related banking and depository accounts at designated place. The Client shall ensure timely availability of funds/commodities in designated form and manner at designated time and in designated bank and depository account(s) at designated place, for meeting Client's pay in obligation of funds and commodities. The Client is being made aware that non-availability / short availability of funds / commodities by the Client in the designated account(s) of the Broker for meeting pay in obligation of either funds or commodities may result into loss to the Client. Further, if the Client gives orders / trades in the anticipation of the required commodities being available subsequently for pay in through anticipated pay out from the exchange or through borrowings or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialize in actual availability of commodities / funds for pay in for any reason whatsoever including but not limited to any delays / shortages at the exchange or Broker level etc., the same may also result into losses to the Client.

5.2 The benefit of any bank instrument deposited by the Client towards his margin /security / pay in obligation may be given only on realization of the same from bank and its

accounting in books of accounts of the Broker.

5.3 Where the margin /security is made available by way of commodities or any other permissible property, the Broker may decline its acceptance as margin / security & / or to accept it at such reduced value as the Broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other suitable method. The Broker may cancel pending orders and to sell/close/liquidate all open positions/ commodities/ shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage, whichever is earlier. The Broker may prescribe/change stipulated margin percentage depending upon exchange / regulatory requirements and/or changes in the market conditions etc. The Client is made aware aware that such sale/ close out/ square off may result into losses.

5.4 In case open position (short/long) gets converted into delivery due to non-square off because of any reason whatsoever, the Client will provide commodities/funds to fulfill the pay-in obligation failing which the Client will have to face auctions or internal close outs; in addition to this the Client will have to pay penalties and charges levied by exchange in actual and losses, if any.

5.5 The Broker is entitled to prescribe the date and time by which the margin / security is to be made available and the Broker may not be able to give benefit of the same towards margin / security after such deadline for margin/security expires. In the event of Client not adhering to exchange, regulatory and / or Broker prescribed norms / requirements including those of maintenance of margin, timely pay-in etc. the Broker shall have the right without any further notice or communication to the Client to take any one or more of the following steps:

- a. To withhold any payout of funds/ commodities.
- b. To withhold /disable the trading / dealing facility to the Client.
- c. To liquidate one or more commodity(s) of the Client by selling the same at market rate in such. It is informed to the Client that commodities here include commodities which are pending delivery/receipt.
- d. To liquidate / square off partially or fully the position of sale & / or purchase in any one or more commodities / contracts in such manner and at market rate.

- e. To take any other steps which in the given circumstances, the Broker may deem fit.

The Client understands that due to steps enumerated herein above, Client may incur loss. Hence, Client shall ensure availability of funds/security in designated account(s) of the Broker by deadline defined.

5.6 The Client hereby authorizes the Broker to take all such steps on the Client's behalf as may be required or deemed necessary by Broker for compliance with the exchange provisions or any other law or provisions or to complete or settle any transactions entered into through or with the Broker or executed by the Broker on behalf of the Client. Though the Broker may take such steps, however the primary responsibility to adhere to Laws, Rules, Regulations, Circulars and pay-in requirements etc. shall always be of the Client only.

5.7 Client is hereby advised that Broker may mark to market Client's open positions / contracts on real time basis and if the available clear balances in the account of the Client are not sufficient to meet the real time sum total of amount(s) required towards margins and any other demands by Broker&/or exchanges (including real time mark to market margin) even though not posted in the running account [as the posting is not done on real time basis], then the Broker may square off / close out / dispose off any or all open positions/contracts/available collaterals of the Client. Given the dynamics of market, Broker is not likely to be able to give prior information/ notice to the Client before carrying out the actions as required. Clients advised that such actions may entail some losses etc. to Client's Account. Hence client should monitor his trading and disallow any such eventuality.

5.8 In case Client has made any purchase and the delivery of the same falls short inter-Client at the Broker level, the Broker(if Broker deems fit) make purchases of the same in the market to make available the said delivery(ies) to receiving Client.

5.9 In case Client has made any sale and due to any exigencies Client is unable to make available the delivery of the same in the designated account within the designated time and it is an inter Client delivery at Broker level, the Broker(if deemed fit) may make purchases of the same in the market on Client's behalf to make available the delivery to the opposite party.

6. Sales Tax and other Registrations

6.1 Clients who intend receiving/giving delivery should ensure that they have all the proper local registration numbers/documents such as sales tax registration etc. on or before the settlement of the delivery. Deliveries given / received by Clients who are not registered as per the applicable laws and guidelines or whose registration is not valid on the date of settlement / delivery may not be liable to collect the sales tax / any other tax if applicable from Buyers. Further the seller may be obliged to collect any appropriate monetary compensation demanded by the APMC /other authorities/ sales tax department due to the unregistered status of Client.

6.2 Registration may need to be obtained by the Client / participant in the State where the delivery is affected or as per law applicable at the relevant time/ place. The Client/participant will have to register in all those states where any registrations are required including where the delivery center for the commodities is located.

6.3 Rates of tax for commodities may differ from State to State / place to place. In the case of trades culminating into delivery, tax as per the delivery center/state may be payable. Laws may provide for levy of additional tax, turnover tax, resale tax, etc. which may or may not be recoverable from the buyer depending on the provisions of the local State sales tax / any other applicable law and Broker will not be responsible for the same.

6.4 It is obligatory on the part of the registered seller to collect the sales tax from the buyer and file the returns as per the defined procedure of the relevant local sales tax laws.

7. Deregistering / Suspending a Client and Termination of relationship

7.1 The Broker may suspend the account of Client with immediate effect and if need be de - register /terminate the Client in any of the following circumstances:

- a. If the actions of the Client are prima facie illegal / improper or such as to manipulate the price of any commodities or disturb the normal /proper functioning of the market, either alone or in conjunction with others, in such eventuality the Client acknowledges that the Broker reserves the right to keep in abeyance the payout/ delivery of funds /securities or any other assets to Client as may be deemed fit by the Broker depending upon the gravity of the violation or/and through trades done by/on behalf of the Client considered as prima

facie illegal / improper by the Broker / the relevant exchange(s) / regulators(s). The Client further understands and accepts that the Broker may levy penalty for trades done by / on behalf of the Client which are considered prima facie illegal / improper by the Broker / the relevant exchange(s) / regulator(s), as may be deemed fit by the relevant exchange(s) / regulator(s)/Broker.

- b. If there is any commencement of a legal process against the Client under any law in force;
- c. On the death/lunacy or other disability of the Client;
- d. 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;
- e. 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 appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
- f. If the Client being a partnership firm, has any steps taken by the Client and/ or its partners for dissolution of the partnership;
- g. If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- h. If the Client has made any material misrepresentation of facts, Including (without limitation) In relation to the security;
- i. 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;
- j. If the Client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the Broker;
- k. If the Client is in breach of any term, condition or covenant with the Broker.
- l. If any covenant or warranty of the Client is incorrect or untrue in any material respect;
- m. Client causes nuisance and disruption in the functioning of the Broker.

7.2 Information about default by a Client may be brought to the notice of third parties including but not limited to trade

associations, the relevant exchange(s) &/or legal / regulatory authorities. 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, may also be communicated by the Broker.

7.3 The Client may request the Broker to temporarily suspend his account, Broker may do so subject to Client accepting / adhering to conditions which may be including but not limited to prior settlement of account and/ or other obligation. The Broker may withhold the payouts of Client and/or suspend the trading account due to Client's trading being prima facie illegal / improper or due to judicial or / and regulatory order/action requiring Client suspension.

7.4 The Broker may disable / freeze the account & / or trading facility / any other service facility,

- a. if, prima facie illegal , the Client has committed a crime / fraud or has acted in contradiction of this agreement or / is likely to evade / violate any laws, rules, regulations, directions of a lawful authority whether Indian or foreign or if the Broker so apprehends.
- b. if the Client creates any encumbrance over the assets placed as margin, or otherwise takes any action towards creation of any encumbrance over the assets placed as margin;
- c. if the title of the Client to the asset(s) placed as margin/ security is in jeopardy or if there is an order of attachment or lien against the assets(s) placed as margin/security;
- d. if an Event of Default has occurred under any other agreements entered into by the Client with the Broker or Broker Group companies.

8. Other significant policies and procedures

8.1 Proprietary Trading: The broker does undertake proprietary trading.

8.2 The Client is hereby advised to use the facilities, data and information which is provided by the Broker or which may become available to the Client as a result of Client's relationship with the Broker purely for purposes permitted by the Broker and only for personal use and should never disseminate any information or data for any reason or purposes whatsoever except under a written authority

Continued on next page

LETTER OF AUTHORISATION

Sharda Commodities Private Limited

Corporate Office : 201, Sanghi Manor, 6/2 Y.N. Road Indore - 452001 Madhya Pradesh

I/We am/are dealing in Commodities/Capital Market with you at Exchanges MCX/NCDEX/NSE/BSE and in order to facilitate in any/all Exchanges operations, I/We authorize you as under.

- 1. LOG REPORTS ON E-MAIL: I/we will completely rely on the log reports of your dispatching software a conclusive proof of dispatch of E-mail of Contact Notes, Statement of accounts, Settlement Account letter, Margin Report, etc. to me and will not dispute the same.
2. LOG REPORTS ON SMS: I/we will completely rely on the log reports of your dispatching software a conclusive proof of dispatch of SMS of Trade Confirmations, Balances, etc. to me and will not dispute the same.
3. CHANGE IN E-MAIL: I/We will inform you in case of change in my/our E-mail or/and Mobile No., if any, in future either by regd. Post or through a digitally signed E-mail.
4. TRADING IN ELECTRONIC MODE: Trading of Commodity in Electronic Mode, based on VSAT, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders. I/We understand that 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 and may result in delay in processing or not processing buy or sell order either in part or in full. I/We agree that I/We shall be fully liable and responsible for any such problems/glitch.
5. AUTHORIZATION FOR CIRCULARS: 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.
6. MTM: I/We agree that any MTM loss on open positions should be adjusted against the initial deposit maintained in cash by me/us with you.
7. AUTHORIZATION FOR ORDER CONFIRMATION / MODIFICATION / CANCELLATION: I / we hereby authorize you to not to provide me Order Confirmation/ Modification / Cancellation Slip and Trade Confirmation Slips to avoid unnecessary paper work. I/We shall get the required details form contracts issue by you.
8. AUTHORITY TO PLEDGE THE SHARES / SECURITIES / COMMODITIES: I / We wish to use my / our shares / securities / commodities as margin / collateral for our trading and therefore shall be ensuring that shares / securities / commodities provided by me / us in this regard shall be my / our absolute property and shall not have any prior encumbrance of any type. I / We hereby further authorize Sharda Commodities Pvt. Ltd. to pledge my / our shares/ securities /commodities lying with it as margin/ collateral with third parties such as Banks to meet the settlement/ margin obligation on my / our behalf as required from time to time. I / We would further like to mention that Sharda Commodities Pvt. Ltd. shall be entitled to invoke pledge at its absolute discretion at any point of time without giving any prior intimation to me / us to meet settlement obligation for my / our trading activities undertaken through Sharda Commodities Pvt. Ltd..

Client Signature [Hand icon]

Date [D][D][M][M][Y][Y][Y][Y]

Client Name [Grid]

Client Code

- 9. VERBAL ORDER ACCEPTANCE AUTHORISATION:** I / We agree and acknowledge that in order to avoid any disputes it is recommended by you that I / we should give instructions for order placement / modification and cancellation in writing in the format given along with Policies and Procedure Document and take signatures of two authorised officers of the branch where orders are tendered along with company stamp on the carbon / photocopy of the instructions in acknowledgment of receipt of my our instructions. However it is my / our view that the fluctuations in market are so rapid that it is not practical to give written instructions for order placement / modification and cancellation. I / We therefore authorize you to accept my / our authorised representative's verbal instructions for order placement/modification and cancellation in person or over phone (fixed line or mobile 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 and consequent trades (if any) by shifting the burden of proof by asking you to prove the placement of orders through telephone recording etc.
- 10. RUNNING ACCOUNT AUTHORISATION:** In order to avoid time consuming repeated pay-in by me/us and pay – out by you of funds and commodities. I /we hereby direct and authorize you to maintain running account(s) and debit /credit commodities/Securities and funds from/to the running accounts and make pay-in / receive securities, commodities and funds to / from exchanges/ clearing corporations / other receiving parties (if applicable). Further, subject to your discretion and valuation please treat my / our securities, commodities and funds lying to my / our credit in running accounts as margin/ collateral for my / our dealings/ trading. In the event I / we have outstanding obligations on the settlement date, you may retain the requisite securities/commodities / funds towards such obligations along with funds and / or securities expected to be required to meet margin obligations for next 5 trading days. In case, I / we have traded during my / our chosen settlement period, you may retain upto the maximum amount as permissible within in regulatory provisions duly netting off across all commodity / capital market exchanges and their segments. Authorization is subject to changes as prescribed by the exchange(s)/ SEBI from time to time. While settling the account, please send a 'statement of accounts' containing an extract from ledger for funds and an extract from the register of securities displaying all receipts/deliveries of funds/securities. In the statement(s) being sent, please provide details regarding retention of funds / securities/commodities and pledge, if any. I / We shall bring any discrepancy in the statement(s) preferably within 7 working days from the date of receipt to your notice so as to allow you to take remedial steps, if any are warranted. Please do not carry out above stated settlement of running account in the event I / We avail margin trading facility. Further, do not carry out settlement of running account referred to above for funds given by me/us towards collaterals/margin in the form of Bank Guarantee (BG)/Fixed Deposit receipts (FDR). I / We am/are entitled to revoke this authorization at any time.

My / Our preference for actual settlement of funds, commodities and securities is at least:

Once in a Calendar Quarter Once in a Calendar Month

- 11. FORMAT FOR CLIENT OPTING ONLINE TRADING FACILITY:** I/We wish to trade through Internet & Wireless Technology Based Trading (IWTBT) facility provided by you as per the options mention below.

I want to opt for Web Base Trading Application Base Trading/Odin

i/We hereby confirm you to sent our username and password and other related information of the below mention e-mail address.

E-mail Address:

Further, I/We confirm that I/We have fully read and understood the provisions laid down in the attached annexure pertaining to interest & wireless Technology based trading facility provided by stock brokers to clients and do hereby acknowledge the same and agree not to call into question the validity, enforceability and applicability fo any provision/clauses in this document under any circumstance what so ever.

Client Signature

Date

Client Name

Client Code

To,

Sharda Commodities Private Limited

CORPORATE OFFICE: 201, Sanghi Manor, 6/2 Y.N. Road Indore - 452001 Madhya Pradesh

Dear Sir,

I, a client with Member M/s. Sharda Commodities Private Limited of MCX/NCDEX 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 the email operations.
- My email 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 language known to me.
- I am aware that non-receipt of bounced mail notification by the member shall amount to delivery of the contract note at the above e-mail ID.

The above declaration and the guidelines on ECN given in the Annexure have 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 email id must be written in Own handwriting of the client.)

Client Name Unique Client Code PAN Address Client Signature Place Date

Verification of the client signature done by,

Name of the designated officer of the Member

Signature

Details	UBO1	UBO2	UBO3
Name of UBO			
UBO Code (Refer 3(iv) (A) of Part C)			
Country of Tax residency*			
PAN#			
Address	Zip <input type="text"/> State: _____ Country: _____	Zip <input type="text"/> State: _____ Country: _____	Zip <input type="text"/> State: _____ Country: _____
Address Type	<input type="checkbox"/> Residence <input type="checkbox"/> Business <input type="checkbox"/> Registered office	<input type="checkbox"/> Residence <input type="checkbox"/> Business <input type="checkbox"/> Registered office	<input type="checkbox"/> Residence <input type="checkbox"/> Business <input type="checkbox"/> Registered office
Tax ID%			
Tax ID Type			
City of Birth			
Country of birth			
Occupation Type	<input type="checkbox"/> Service <input type="checkbox"/> Business <input type="checkbox"/> Others _____	<input type="checkbox"/> Service <input type="checkbox"/> Business <input type="checkbox"/> Others _____	<input type="checkbox"/> Service <input type="checkbox"/> Business <input type="checkbox"/> Others _____
Nationality			
Father's Name			
Gender	<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Others	<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Others	<input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Others
Date of Birth	D D M Y Y Y Y	D D M Y Y Y Y	D D M Y Y Y Y
Percentage of Holding(%) [§]			

* To include US, where controlling person is a US citizen or green card holder

[#] If UBO is KYC compliant, KYC proof to be enclosed, Else PAN or any other valid identity proof must be attached. Position / Designation like Director / Settlor of Trust / Protector of Trust to be specified wherever applicable.

[%] In case Tax Identification Number is not available, kindly provide functional equivalent

[§] Attach valid documentary proof like Shareholding pattern duly self attested by Authorized Signatory / Company Secretary

DECLARATION

I have read and understood the information requirements and the Terms & Conditions mentioned in this Form (read along with FATCA & CRS instructions) and hereby confirm that the information provided by me on this Form is true, correct and complete. I hereby agree and confirm to inform Sharda Commodities Private Limited any modification to this information promptly.

I further agree to abide by the provisions of the scheme related documents inter alia provisions of FATCA & CRS on Automatic Exchange of Information (AEOI)

Name

Designation


Signature of the Client :

Date: |D|D|M|Y|Y|Y|Y|

Place:

For Investor convenience, Sharda Commodities Private Limited collecting this mandatory information for updating across all Group Companies of Sharda Commodities Pvt. Ltd. whether you are already an investor or would become an investor in future.

Please submit the form fully filled, signed, for all the holders, separately, and submit at your nearest Sharda Commodities Pvt. Ltd. branch or you can dispatch the hard copy to-

Sharda Commodities Private Limited | 201, Sanghi Manor, 6/2 Y.N. Road Indore - 452001 Madhya Pradesh

• For Detail Terms & Conditions please visit:

CLIENT DECLARATION CUM UNDERTAKING

To,
Sharda Commodities Private Limited

CORPORATE OFFICE: 201, Sanghi Manor, 6/2 Y.N. Road Indore - 452001 Madhya Pradesh

Dear Sir,

Sub : My/Our request for trading in commodity forward contracts/commodity derivatives on NCDEX/MCX as your client

Dear Sir,

I/We, the undersigned, have taken cognizance of circular no. NCDEX/TRADING-114/2006/247 dated September 28, 2006 issued by the National Commodity & Derivative Exchange Limited (NCDEX), Multi Commodity Exchange of India Limited (MCX) circular MCX/300/2006 and MCX/338/2006 issued on August, 1, 2006 and August 21, 2006 on the guidelines for calculation of net open positions permitted in any commodity and I/we hereby undertake to comply with the same.

I/We hereby declare and undertake that we will not exceed the position limits prescribed from time to time by NCDEX/MCX or SEBI and such position limits will be calculated in accordance with the contents of above stated circular of NCDEX/MCX as modified from time to time.

I/We undertake to inform you and keep you informed if I/any of our partners/directors/karta/trustee or any of the partnership firms/companies/HUFs/Trusts in which or any of above such person is a partner/director/karta/trustee, takes or holds any position in any commodity forward contact/commodity derivative on NCDEX/MCX through you or through any other member(s) of NCDEX/MCX, to enable you to restrict our position limit as prescribed by the above referred circular of NCDEX/MCX as modified from time to time.

I/We confirm that you have agreed to enter orders in commodity forward contracts/commodity derivatives for me/us as your clients on NCDEX/MCX only on the basis of our above assurances and undertaking.

Yours faithfully,

for :

Client Signature 

Date

D	D	M	M	Y	Y	Y	Y
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Name of client/Sole Proprietor/Partner/Director/Karta/Trustee:

Address of client/Sole Proprietor/Partner/Director/Karta/Trustee:

.....

VISION

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

MISSION

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

Services provided to Investors

- Execution of trades on behalf of investors.
- Issuance of Contract Notes.
- Issuance of intimations regarding margin due payments.
- Facilitate execution of early pay-in obligation instructions.
- Settlement of client's funds.
- Intimation of securities held in Client Unpaid Securities Account (CUSA) Account.
- Issuance of retention statement of funds.
- Risk management systems to mitigate operational and market risk.
- Facilitate client profile changes in the system as instructed by the client.
- Information sharing with the client w.r.t. exchange circulars.
- Redressal of Investor's grievances.

Rights of Investors

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

Various activities of Stock Brokers with timelines

S.No.	Activities	Expected Timelines
1.	KYC entered into KRA System and CKYCR	10 days of account opening
2.	Client On boarding	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	30 days / 90 days for running account settlement (RAS) as per the preference of client. If consent not given for RAS – within 24 hours of pay-out
10.	'Statement of Accounts' for Funds, Securities and Commodities	Weekly basis (Within four trading days of following week)
11.	Issuance of retention statement of funds/commodities	5 days from the date of settlement
12.	Issuance of Annual Global Statement	30 days from the end of the financial year
13.	Investor grievances redressal	30 days from the receipt of the complaint

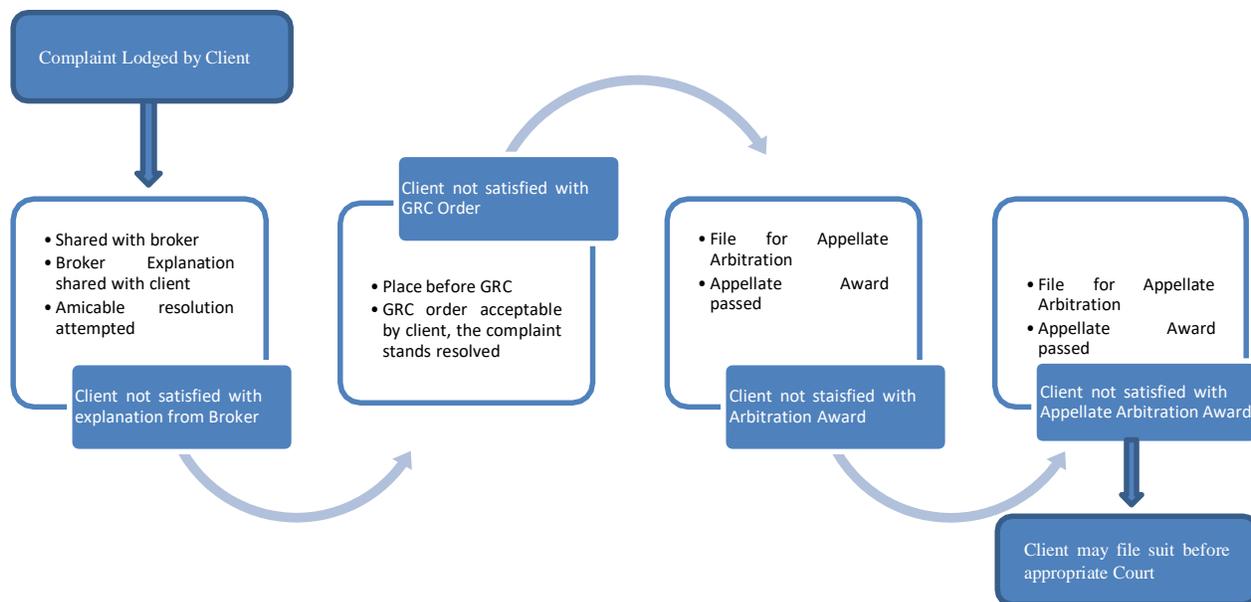
DOs and DON'Ts for Investors

DOs	DON'Ts
<ol style="list-style-type: none"> 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 Power of Attorney. However, Power of Attorney is not a mandatory requirement as per SEBI / Stock Exchanges. Before granting Power of Attorney, carefully examine the scope and implications of powers being granted. 7. Receive contract notes for trades executed, showing transaction price, brokerage, GST and STT etc. as applicable, separately, within 24 hours of execution of trades. 8. Receive funds and securities / commodities on time within 24 hours from pay-out. 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 stock broker as per the option given by the client (30 or 90 days). 11. In case of any grievances, approach stock broker or Stock Exchange or SEBI for getting the same resolved within prescribed timelines. 	<ol style="list-style-type: none"> 1. Do not deal with unregistered stock broker. 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 the purposes of trading to anyone other than a stock broker. No payment should be made in name of employee of stock broker. 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. 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.

Grievance Redressal Mechanism

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

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



Timelines for complaint resolution process at Stock Exchanges against stock brokers

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

S. No.	Type of Activity	Timelines for activity
10.	If intention from stock broker is received and the GRC order amount is upto Rs.20 lakhs	Investor is eligible for interim relief from Investor Protection Fund (IPF).The interim relief will be 50% of the GRC order amount or Rs.2 lakhs whichever is less. The same shall be provided after obtaining an Undertaking from the investor.
11.	Stock Broker shall file for arbitration	Within 6 months from the date of GRC recommendation
12.	In case the stock broker does not file for arbitration within 6 months	The GRC order amount shall be released to the investor after adjusting the amount released as interim relief, if any.

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

Default of TM/CM

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

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

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

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

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

Nomination Form

[Annexure A to SEBI circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2021/601 dated July23, 2021 on Mandatory Nomination for Eligible Trading and Demat Accounts

Sharda Commodities Pvt. Ltd. 201, Sanghi Manor, 6/2 Y.N. Road Indore – 452001 Madhya Pradesh				FORM FOR NOMINATION (To be filled in by individual applying singly or jointly)																								
Date														UCC/DP ID								Client ID						
I/We wish to make a nomination. [As per details given below]																												
Nomination Details																												
I/We wish to make a nomination and do hereby nominate the following person(s) who shall receive all the assets held in my / our account in the event of my / our death.																												
Nomination can be made upto threenominees in the account.														Details of 1st Nominee				Details of 2nd Nominee				Details of 3rd Nominee						
1	Name of the nominee(s) (Mr./Ms.)																											
2	Share of each Nominee		Equally <small>[If not equally, please specify percentage]</small>											%				%				%						
														<i>Any odd lot after division shall be transferred to the first nominee mentioned in the form.</i>														
3	Relationship With the Applicant(If Any)													Father														
4	Address of Nominee(s) City / Place: State & Country:																											
														PIN Code														
5	Mobile / Telephone No. of nominee(s)																											
6	Email ID of nominee(s)																											
7	Nominee Identification details – [Please tick any one of following and provide details of same] <input type="checkbox"/> Photograph & Signature <input type="checkbox"/> PAN <input type="checkbox"/> Aadhaar <input type="checkbox"/> Saving Bank account no. <input type="checkbox"/> Proof of Identity <input type="checkbox"/> Demat Account ID																											
Sr. Nos. 8-14 should be filled only if nominee(s) is a minor:																												
8	Date of Birth {in case of minor nominee(s)}																											
9	Name of Guardian (Mr./Ms.) {incase of minor nominee(s) }																											
10	Address of Guardian(s) City / Place: State & Country:																											
														PIN Code														
11	Mobile/ Telephone no. of Guardian																											
12	Email ID of Guardian																											
13	Relationship of Guardian with nominee																											
14	Guardian Identification details – [Please tick any one of following and provide details of same] <input type="checkbox"/> Photograph & Signature <input type="checkbox"/> PAN <input type="checkbox"/> Aadhaar <input type="checkbox"/> Saving Bank account no. <input type="checkbox"/> Proof of Identity <input type="checkbox"/> Demat Account ID																											
Name(s) of holder(s)														Signature(s) of holder*														
Sole / First Holder (Mr./Ms.)																												
Second Holder (Mr./Ms.)																												
Third Holder (Mr./Ms.)																												

* Signature of witness, along with name and address are required, if the account holder affixes thumb impression, instead of signature

Note:

This nomination shall supersede any prior nomination made by the account holder(s), if any.

The Trading Member / Depository Participant shall provide acknowledgement of the nomination form to the account holder(s)

Declaration Form for opting out of nomination
[Annexure B to SEBI circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2021/601 dated July 23, 2021 on Mandatory Nomination for Eligible Trading and Demat Accounts]

To Sharda Commodities Pvt. Ltd. 201, Sanghi Manor, 6/2 Y.N. Road Indore -452001 Madhya Pradesh	Date	D	D	M	M	Y	Y	Y	Y
UCC/DP ID	I	N							
Client ID (only for Demat account)									
Sole/First Holder Name									
Second Holder Name									
Third Holder Name									
I / We hereby confirm that I / We do not wish to appoint any nominee(s) in my / our trading / demat account and understand the issues involved in non-appointment of nominee(s) and further are aware that in case of death of all the account holder(s), my / our legal heirs would need to submit all the requisite documents / information for claiming of assets held in my / our trading / demat account, which may also include documents issued by Court or other such competent authority, based on the value of assets held in the trading / demat account.									
Name and Signature of Holder(s)*									
1. _____ 2. _____ 3. _____									

* Signature of witness, along with name and address are required, if the account holder affixes thumb impression, instead of signature