



Narayan

# ATTACHMENT

Holder' Name : .....

Client Code : .....

Branch Name : .....

## TRADING PREFERENCE

Stock Exchange on which you wish to trade : (Please tick in the relevant boxes & sign)

NSE  \_\_\_\_\_  BSE  \_\_\_\_\_

MCX-SX  \_\_\_\_\_  Others \_\_\_\_\_  \_\_\_\_\_

Market Segment on which you wish to trade : (Please tick in the relevant boxes & sign)

Cash Market  \_\_\_\_\_  Mutual Funds  \_\_\_\_\_

Currency Derivatives  \_\_\_\_\_  Derivatives Market  \_\_\_\_\_

Interest Rate Derivatives  \_\_\_\_\_  Others \_\_\_\_\_  \_\_\_\_\_

 \_\_\_\_\_

### 1. Refusal of orders for penny / illiquid stock

The stock broker may from time to time limit (quantity/ value) / refuse orders in one or more securities due to various reasons including market liquidity, value of security(ies), the order being for securities which are not in the permitted list of the stock broker / exchange(s) / SEBI. Provided further that stock broker may require compulsory settlement / advance payment of expected settlement value/ delivery of securities for settlement prior to acceptance / placement of order(s) as well. The client agrees that the losses, if any on account of such refusal or due to delay caused by such limits, shall be borne exclusively by the client alone.

The stock broker may require reconfirmation of orders, which are larger than that specified by the stock broker's risk management, and is also aware that the stock broker has the discretion to reject the execution of such orders based on its risk perception.

### 2. Setting up client's exposure limits and conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client

The stock broker may from time to time impose and vary limits on the orders that the client can place through the stock broker's trading system (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can be placed etc.). The client is aware and agrees that the stock broker may need to vary or reduce the limits or impose new limits urgently on the basis of the stock broker's risk perception and other factors considered relevant by the stock broker including but not limited to limits on account of exchange/ SEBI directions/limits (such as broker level/ market level limits in security specific / volume specific exposures etc.), and the stock broker may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the stock broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the stock broker's trading system on account of any such variation, reduction or imposition of limits. The client further agrees that the stock broker may at any time, at its sole discretion and without prior notice, prohibit or restrict the client's ability to place orders or trade in securities through the stock broker, or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute / allow execution of orders due to but not limited to the reason of lack of margin / securities or the order being outside the limits set by stock broker / exchange/ SEBI and any other reasons which the stock broker may deem appropriate in the circumstances. The client agrees that the losses, if any on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client alone.

The stock broker is required only to communicate / advise the parameters for the calculation of the margin / security requirements as rate(s) / percentage(s) of the dealings, through anyone or more means or methods such as post / speed post / courier / registered post / registered AD / facsimile / telegram / cable / e-mail / voice mails / telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees / agents of the stock broker; by publishing / displaying it on the website of the stock broker / making it available as a download from the website of the stock broker; by displaying it on the notice board of the branch / office through which the client trades or if the circumstances, so require, by radio broadcast / television broadcast / newspapers advertisements etc; or any other suitable or applicable mode or manner. The client agrees that the postal department / the courier company / newspaper company and the e-mail / voice mail service provider and such other service providers shall be the agent of the client and the delivery shall be complete when communication is given to the postal department / the courier company / the e-mail / voice mail service provider, etc. by the stock broker and the client agrees never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons whatsoever and once parameters for margin / security requirements are so communicated, the client shall monitor his / her / its position (dealings / trades and valuation of security) on his / her / its 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 stock broker to the client and / or whether or not such communication is received by the client.

The client is not entitled to trade without adequate margin / security and that it shall be his / her / its responsibility to ascertain beforehand the margin / security requirements for his / her / its orders / trades / deals and to ensure that the required margin / security is made available to the stock broker in such form and manner as may be required by the stock broker. If the client's order is executed despite a shortfall in the available margin, the client, shall, whether or not the stock broker intimates such shortfall in the margin to the client, make up the shortfall suo moto immediately. The client further agrees that he /she lit 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 stock broker & /or exchange & /or SEBI.

The stock 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 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 stock broker are not eligible for any interest.

The stock broker is entitled to include / appropriate any / all payout of funds & / or securities towards margin / security without requiring specific authorizations for each payout.

The stock broker is entitled to transfer funds & / or securities from his account for one exchange & / or one segment of the exchange to his / her / its account for another exchange & / or another segment of the same exchange whenever applicable and found necessary by the stock broker. The client also agrees and authorises the stock broker to treat / adjust his / her / its margin / security lying in one exchange & / or one segment of the exchange / towards the margin / security / pay in requirements of another exchange & / or another segment of the exchange.

The stock broker is entitled to disable / freeze the account & / or trading facility / any other service facility, if, in the opinion of the stock broker, 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 stock broker so apprehends.

### **3. Applicable brokerage rate**

The stock broker is entitled to charge brokerage within the limits imposed by exchange/Sebi.

### **4. Imposition of penalty / delayed payment charges**

The clients will be liable to pay late pay in/delayed payment charges for non making payment of their payin/margin obligation on time as per the exchange requirement /schedule at the rate upto 2% per month.

The client agrees that the stock broker may impose fines / penalties for any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the stock 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 agrees to pay to the stock broker brokerage, commission, fees, all taxes, duties, levies imposed by any authority including but not limited to the stock exchanges (including any amount due on account of reassessment / backlogs etc.), transaction expenses, 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 stock broker.

### **5. The right to sell clients' securities or close clients' positions, without giving notice to the client, on account of non-payment of client's dues**

Without prejudice to the stock brokers other right (Including the right to refer the matter to arbitration), the stock broker shall be entitled to liquidate/close out all or any of the clients position without giving notice to the client for non payment of margins or other amounts including the pay in obligation, outstanding debts etc and adjust the proceeds of such liquidation/close out, if any, against the clients liabilities/obligations.

The stock broker maintains centralized banking and securities handling processes and related banking and depository accounts at designated place. The client shall ensure timely availability of funds/securities in designated form and manner at designated time and in designated bank and depository account(s) at designated place, for meeting his/her/its pay in obligation of funds and securities. The stock broker shall not be responsible for any claim/loss/damage arising out of non availability/short availability of funds/securities by the client in the designated account(s) of the stock broker for meeting the pay in obligation of either funds or securities. If the client gives orders / trades in the anticipation of the required securities being available subsequently for pay in through anticipated payout 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 securities / funds for pay in for any reason whatsoever including but not limited to any delays / shortages at the exchange or stock broker level/non release of margin by the stock broker etc., the losses which may occur to the client as a consequence of such shortages in any manner such as on account of auctions / square off / closing outs etc., shall be solely to the account of the client and the client agrees not to hold the stock broker responsible for the same in any form or manner whatsoever. In cases of securities lying in margin account/client beneficiary account and having corporate actions like Bonus, Stock split, Right issue etc, for margin or other purpose the benefit of shares due to received under Bonus, Stock split, Right issue etc will be given when the shares is actually received in the stock broker designated demat account.



In case the payment of the margin / security is made by the client through a bank instrument, the stock broker shall be at liberty to give the benefit / credit for the same only on the realization of the funds from the said bank instrument etc. at the absolute discretion of the stock broker.

Where the margin / security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin / security & / or to accept it at such reduced value as the stock broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the stock broker may deem fit in its absolute discretion.

The stock broker has the right but not the obligation, to cancel all pending orders and to sell/closetiquidate all open positions/ securities/ shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage mentioned on the website, whichever is earlier. The stock broker will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices. In case open position (i.e. short/long) gets converted into delivery due to non square off because of any reason whatsoever, the client agrees to provide securities/funds to fulfill the payin 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. Without prejudice to the foregoing, the client shall also be solely liable for all and any penalties and charges levied by the exchange(s).

The stock broker is entitled to prescribe the date and time by which the margin / security is to be made available and the stock broker may refuse to accept any payments in any form after such deadline for margin / security expires.

Notwithstanding anything to the contrary in the agreement or elsewhere, if the client fails to maintain or provide the required margin/fund/security or to meet the funds/margins/ securities pay in obligations for the orders / trades / deals of the client within the prescribed time and form, the stock broker shall have the right without any further notice or communication to the client to take any one or more of the following steps:

- (i) To withhold any payout of funds / securities.
- (ii) To withhold / disable the trading / dealing facility to the client.
- (iii) To liquidate one or more security(s) of the client by selling the same in such manner and at such rate which the stock broker may deem fit in its absolute discretion. It is agreed and understood by the client that securities here includes securities which are pending delivery / receipt.

- (iv) To liquidate / square off partially or fully the position of sale & / or purchase in anyone or more securities / contracts in such manner and at such rate which the stock broker may decide in its absolute discretion.
- (v) To take any other steps which in the given circumstances, the stock broker may deem fit.

The client agrees that the loss(s) if any, on account of anyone or more steps as enumerated herein above being taken by the stock broker, shall be borne exclusively by the client alone and agrees not to question the reasonableness, requirements, timing, manner, form, pricing etc., which are chosen by the stock broker.

## 6. Shortages in obligations arising out of internal netting of trades

Stock broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the stock broker from the exchange, the clearing corporation clearing house or other company or entity liable to make the payment and the client has fulfilled his / her / its obligations first.

The policy and procedure for settlement of shortages in obligations arising out of internal netting of trades is as under:

- a) The short delivering client is debited by an amount 'equivalent to 20% above of closing rate of day prior to Pay-in/Payout Day. The securities delivered short are purchased from market on T +3 day which is the Auction Day on Exchange, and the purchase consideration (inclusive of all statutory taxes & levies) is debited to the short delivering seller client along with reversal entry of provisionally amount debited earlier.
- b) If securities cannot be purchased from market due to any force majeure condition, the short delivering seller is debited at the closing rate on T +3 day or Auction day on Exchange + 10%. Where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits/credits shall be as per Exchange Debits and Credits.
- c) In cases of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auction payout is after the book closure / record date, would be compulsory closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction day.

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

The stock broker has margin based RMS system. Client may take exposure upto the amount of margin available with broker.



Client may not be allowed to take position in case of non-availability/shortage of margin as per RMS policy of the broker. The existing position of the client is also liable to square off/close out without giving notice due to shortage of margin/non making of payment for their payin obligation/outstanding debts.

#### **8. Temporarily suspending or closing a client's account at the client's request**

- (i) The client may request the stock broker to temporarily suspend his account, stock broker may do so subject to client accepting / adhering to conditions imposed by stock broker including but not limited to settlement of account and/ or other obligation. Same can be activated on the written request of the client only. During the period client account is suspended, the market transaction in the client account will be prohibited. However client shares/ledger balance settlement can take place.
- (ii) The stock broker can with hold the payouts of client and suspend his trading account due to his surveillance action or judicial or / and regulatory order/action requiring client suspension.

#### **9. De-registering a client**

Notwithstanding anything to the contrary stated in the agreement, the stock broker shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:

- (i) If the action of the Client are prima facie illegal/ improper or such as to manipulate the price of any securities or disturb the normal/ proper functioning of the market, either alone or in conjunction with others.
- (ii) If there is any commencement of a legal process against the Client under any law in force;
- (iii) On the death/lunacy or other disability of the Client;
- (iv) If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- (v) 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;
- (vi) If the Client being a partnership firm, has any steps taken by the Client and/ or its partners for dissolution of the partnership;
- (vii) If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- (viii) If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the Security;
- (ix) 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;

- (x) If the Client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the Stock broker;
- (xi) If the Client is in breach of any term, condition or covenant of this Agreement;
- (xii) If any covenant or warranty of the Client is incorrect or untrue in any material respect;

However notwithstanding any termination of the agreement, all transactions made under / pursuant to this agreement shall be subject to all the terms and conditions of this agreement and parties to this agreement submit to exclusive jurisdiction of courts of law at the place of execution of this agreement by Stock Broker. Trading in Exchange is in Electronic Mode, based on VSAT, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders. The client understands that there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt or any break down in the broker's back office/ front end system, or any such other problems/glitch whereby not being able to establish access to the trading system/network, which may be beyond the broker's control and may result in delay in processing or not processing buy or sell Orders either in part or in full. The client shall be fully liable and responsible for any such problem/fault.

#### **Client Acceptance of Policies and Procedures stated hereinabove:**

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/clauses this document in any circumstances whatsoever. These Policies and Procedures may be amended / changed unilaterally by the broker, provided the change is informed to me / us through any one or more means or methods such as post / speed post / courier / registered post / registered A.D / facsimile / telegram / cable / e-mail/ voice mails / telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees / agents of the stock broker; by publishing / displaying it on the website of the stock broker / making it available as a download from the website of the stock broker; by displaying it on the notice board of the branch / office through which the client trades or if the circumstances, so require, by radio broadcast / television broadcast / newspapers advertisements etc; or any other suitable or applicable mode or manner. I/we agree that the postal department / the courier company / newspaper company and the e-mail/ voice mail service provider and such other service providers shall be my/our agent and the delivery shall be complete when communication is given to the postal department / the courier company / the e-mail/voicemail service provider, etc. by the stock broker and I/we agree never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute / difference or claim between me/ us and stock broker before any court of law / judicial / adjudicating authority including arbitrator / mediator etc.



## LETTER OF AUTHORITY

To,

### **Narayan Securities Ltd.**

Regd. Office: 70, Janpath, 2nd Floor, New Delhi-110001

Ph.: 011-30420301-10 Telefax : 011-30420310

Dear Sir,

I/We am/are dealing in securities/contracts with you at NSE/BSE/MCX-SX Capital Market Segment, Derivatives Segment, currency derivatives segment, NSE-MFSS and BSE StAR MF and in order to facilitate ease of operations. I/We, authorize you as under:

1. I/We authorise you to setoff outstanding in any of my/our accounts against credits available or arising in any other accounts maintained with you irrespective of the fact that such credits in the accounts may pertain to transactions in any segment of the Exchange and/or against the value of cash margin or collateral shares provided to you by me/us.
2. I/We hereby authorise you not to provide me/us Order Confirmation / Modification / Cancellation Slips and Trade Confirmation Slips to avoid unnecessary paperwork. I/We shall get the required details from contract notes issued by you.
3. I/We hereby authorise you to keep all the securities which we give you in margin including the payout of securities received, to use the securities for meeting margin / other obligation in stock exchange in whatever manner which may include pledging of shares in favour of bank and / or taking loan against the same of meeting margin/ pay-in obligation on my/our behalf or for giving the same as margin to the Stock Exchange or otherwise.
4. I/We request you to retain credit balance in any of my/our account and to use the idle funds towards my/our margin/future obligations at the Exchanges unless / instruct you otherwise. I/We will not claim any interest on the said amount.
5. I/We request you to retain Securities in your Demat account for my/our margin/future obligations at both the Exchanges, unless I/we instruct you to transfer the same to my/our account. Further I/We hereby authorize you to keep all the securities which we give you in margin including the pay-out of securities received, to use the securities for meeting margin/other obligation in stock exchange in whatever manner which may include pledging of shares in favour of bank, and/or taking loan against the same for meeting/margin/ pay-in obligation on our behalf or for giving the same as margin to the Stock Exchange or otherwise.
6. I/We request you to consider my/our telephonic instructions for order placing/order modification/order cancellation as a written instruction. I/We am/are getting required details from contracts issued by you.
7. I/We will collect from your office contract notes, demat ledger/financial ledger as per my/our convenience and these are not to be dispatched at my address given to you.
8. I/We request that you may send/despatch us contract notes, statement of accounts, demat ledger, bills etc. through E-mail: on our designated e-mail address of.....  
I/We stress that I/We will not hold you responsible under any circumstances in the event of an e-mail which you send gets bounced due to any reason such as mail box being full, inactive account or due to any technical reason beyond your control.
9. I/We will completely rely on the log reports of your despatching software as a conclusive proof of dispatch of e-mail to me/us and will not dispute the same.
10. I/We will inform you the change my/our e-mail. if any, in future either by regd. post or through a digitally signed e-mail.
11. Trading of NSE/BSE/MCX-SX is in Electronic Mode, based on VSAT, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders// We understand that there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, of any such other problem/glitch whereby not being able to establish access to the trading system/ network, which may be beyond your control and may result in delay in processing or note processing buy or sell Orders either in part or in full. I/We agree that I/We shall be fully liable and responsible for any such problems/glitch.
12. I/We want to subscribe to your SMS Alert service without any obligation on your part, I am fully aware that such Research based SMS services are only for my guidance and doesn't constitute any responsibility of any loss on NARAYAN.
13. I/We hereby agree and give my/our consent for sending the trade confirmations via SMS and I/We have also understood that we will not receive the telephonic trade confirmations. For this purpose, I/We would like to confirm following details for the database maintained with you. Please update the records with the same. **MOBILE No.** .....

14. Others

'Strike off the clauses not relevant to you.

Thanking you,

Yours faithfully,

Signature.....

Name.....

## RUNNING ACCOUNT AUTHORISATION

To,  
**Narayan Securities Ltd.**

Regd. Office: 70, Janpath, 2nd Floor, New Delhi-110001  
Ph.: 011-30420301-10 Telefax : 011-30420310

I/We have been / shall be dealing through you as my/our broker on the Capital Market and/ or Futures & Options /Currency Derivatives Segments, I / we further authorize you to follow these instruction across exchanges & across segments in which I / we have already opened accounts with you or I may open account in future. As my/our broker i.e. agent I/ we direct and authorize you to carry out trading/dealings on my/our behalf as per instructions given below.

I/am/We are aware that you and I/we have the option to deliver securities/ make payments of funds to each other for settlement of dealings as per the schedule in force at the relevant time pursuant to directives / regulations/ circulars, issued by exchange/ regulatory authorities. However, I/we find it difficult to carry out repeated pay-in of funds and securities. Further, I/we also desire to use my/our securities and monies as margin / collateral without which we cannot deal/trade.

Therefore I /we hereby direct and authorise you to maintain running account(s) for me/us and from time to time debit these securities and funds from running accounts and make pay-in of securities and funds to exchanges/clearing corporations/other receiving party(ies) to settle my/our trades/ dealings. Similarly, where I/we have to receive securities/ funds in settlement of trades/ dealings please keep the securities and monies with you and make credit entries for the same in running accounts of securities and funds maintained by you.

Further, the funds & securities can be transferred from one segment to other and from one exchange to another as per the requirements.

Further, subject to your discretion and valuation please treat my/our securities and funds lying to my/our credit in running accounts as margin/collateral for my/our dealings/ trading. You are authorize to do these acts across all exchanges & segments in which I / we have been / shall be dealing with you.

In the event I/we have outstanding obligations on the settlement date, you may retain the requisite securities/funds towards such obligations and may also retain the funds expected to be required to meet margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. While settling the account please send a 'statement of accounts' containing an extract from ledger for funds and an extract from the client demat ledger (register of securities) displaying all receipts/deliveries of funds/securities. Please explain in the statement(s) being sent the retention of funds/securities and the details of the pledge, if any. I agree that if I/we fail to bring any dispute arising from the statement of accounts or settlement so made to your notice within 7 working days from the date of receipt of funds/securities or statement, as the case may be in writing by delivery at your corporate office then in that event the statement of accounts or settlement so made shall attain finality and I/we shall have no right to dispute any/either of these ever. 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).

Please further note that while I am entitled to revoke this authorisation at any time, however, such termination shall be subject to notice period of fifteen days from the date of physical delivery of revocation letter at your registered office to allow you to make necessary changes to handle my account without running account authorisation. I/We shall be liable for all losses, damages and actions which may arise as a consequence of your adhering to and carrying out my / our directions given above and further agree that you shall not be liable for any claim for loss or profit, or for any consequential, incidental, special or exemplary damages, caused by retention of securities / monies under this agreement.

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

Once in a Calender Quarter     Once in a Calender Month

Thanking you,  
Yours faithfully,

 \_\_\_\_\_  
Signature with date

Name : .....

[ Note : To be signed by person himself/herself not to be signed by his/her attorney/ authorised person etc. ]