Do's and Don'ts for Clients

Do's

1. Please deal only through a SEBI registered trading member and ensure to carry out due diligence before registering as a constituent of any Trading Member
2. Give clear and unambiguous instructions to your Broker/Agent/Depository Participant
3. Always insist on Contract Notes for all the transactions from Trading Member within 24 hours of the trade execution. In case of doubt of the transactions, verify the genuineness of the same on the Exchange websites (www.bseindia.com or www.nseindia.com)
4. Always settle the dues through the normal banking channels with the market intermediaries.
5. Please make payment by Account Payee cheque / DD in favour of the Trading Member or Funds transfer through Banking channel and do not involve in cash dealings.
6. Always give delivery of shares directly to the Trading Member
7. Adopt Trading / Investment strategies commensurate with your Risk bearing capacity as all investments carry risk, the degree of which varies according to the investment strategy adopted.
8. Please read carefully and then execute registration documents viz. KYC form, Member Constituent agreement and Risk Disclosure document before starting to deal with the Trading Member.
9. Please carry out due diligence before registering as client with any Intermediary. Also, carefully read and understand the contents stated in the Risk Disclosure document which forms the part of client registration for dealing through Intermediaries in the Stock Market
10. Familiarize yourself with the relevant provisions of rules, regulations, byelaws and circulars issued by Stock Exchanges / SEBI from time to time before carrying out any transactions
11. Insist receipts of payments / deliveries within one working day of pay-out by the Exchange
12. Ensure that a statement of account is received from Broker on quarterly basis for trades executed in that quarter as per circular reference NSEIL/Legal/6806 dated October 24, 2005 and NSCCL/F&O/C&S/132 dated October 08, 2002 and NSE/CMPT/3666
13. In case of disputes, file written complaints to Intermediaries / Stock Exchanges / SEBI within 10 days
14. In case of AP disputes, inform the main Trading Member in writing within 3 months.
15. Check for Public Notice and Press Release made by the Exchange on their website.

Do's and Don'ts for Clients

Don'ts

1. Don't deal with unregistered Brokers / Authorised Persons / Intermediaries
2. Don't leave the custody of your Demat Transaction slip book in the hands of any Intermediary
3. Don't fall prey to any promises of guaranteed returns
4. Don't blindly imitate investment decisions of others who may have profited from their investment decisions. Don't deal with any third party / unregistered Intermediaries / Unauthorized Persons.
5. Don't make any payment in cash / delivery of shares in the personal account of the Authorised Person / Employees of the Trading Member
6. Don't deposit monies / shares with the Trading Member which is not deposited specifically as margin and not linked to any trades executed on the Exchange.
7. Don't undertake deals for others.
8. Don't sign blank Delivery Instruction Slips (DIS) while meeting Security Pay-in obligations
9. Don't accept unsigned / duplicate contract note / memo
10. Don't delay payments / deliveries of securities to the Trading Member.
11. Don't get carried away by luring advertisements, if any.
12. Don't be led by market rumours or get into shady transactions.
13. Don't delay in taking up matters with regulatory bodies like the Exchanges / SEBI

For further details on Investor Rights & Obligations and other related issues, please refer to the Investor Forum section on the NSE website (www.nseindia.com) or the Investor desk on the BSE website (www.bseindia.com) or the booklet "Guiding Light for the Investors"

Displayed in Public Interest in terms of NSE Circular no: NSE/MEMB/6706 dated September 28, 2005 and BSE Notice no:20050902-21 dated September 02, 2005 for the benefit of existing and prospective clients of the Trading Member.