

BOOKLET - 2



CUSTOMER COPY

- ◆ Rights & Obligations
- ◆ Risk Disclosure Documents
- ◆ Guidance Note - Do's & Don't
- ◆ Policies & Procedures
- ◆ Rights & Obligations of BO & DP
- ◆ T&C for MFSS / BSE - Star MF
- ◆ Acknowledgment Receipt

Uniform SEBI Registration No. & Date : INZ000259334 - May 7th, 2019
AMFI-registered Mutual Fund Distributor

ACKNOWLEDGEMENT (CLIENT COPY)

Ambit Capital Private Limited

Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, India

Phone: +91-22-6623 3000 Fax: +91-22-6623 3102

Date: _____

Form No.: _____

Dear Sir/Madam,

We hereby acknowledge the receipt of the Account Opening Application form, received from Mr./Ms _____ as the Sole / First holder.

Your DP ID and/ or trading code will be intimated to you once your account gets opened successfully.

Initial cheque details: Amount : _____ Cheque No.: _____

Bank Name : _____ Date of Cheque : _____

Name of the Sole / First Holder	
Name of the Second Holder	
Name of the Third Holder	

AMBIT CAPITAL PRIVATE LIMITED

DP & Trading Member Seal and Signature

You may contact us at : +91-22-66233000 • Email : accountinfo@ambitcapital.com

RIGHTS AND OBLIGATIONS OF STOCK BROKERS, SUB-BROKERS AND CLIENTS (as prescribed by SEBI and Stock Exchanges)

1. The Client shall invest/trade in those securities/ contracts /other instruments admitted to dealings on the Exchanges as defined in the Rules, Bye-laws and Regulations of Exchanges/ Securities and Exchange Board of India (SEBI) and Circulars/Notices issued there under from time to time.
2. The Stock Broker, Sub-Broker and the Client shall be bound by all the Rules, Bye-laws and Regulations of the Exchange and Circulars/ Notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.
3. The Client shall satisfy itself of the capacity of the Stock Broker to deal in securities and/or deal in Derivatives Contracts and wishes to execute its orders through the Stock Broker and the Client shall from time to time continue to satisfy itself of such capability of the Stock Broker before executing orders through the Stock Broker.
4. The Stock Broker shall continuously satisfy itself about the genuineness and financial soundness of the Client and investment objectives relevant to the services to be provided.
5. The Stock Broker shall take steps to make the Client aware of the precise nature of the Stock Broker's liability for business to be conducted, including any limitations, the liability and the capacity in which the Stock Broker acts.
6. The Sub-Broker shall provide necessary assistance and co-operate with the Stock Broker in all its dealings with the Client(s).
7. The Client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the Stock Broker or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the Client trades. The Stock Broker is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House/Clearing Corporation or SEBI) and the Client shall be obliged to pay such margins within the stipulated time.
8. 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.

CLIENT INFORMATION

7. The Client shall furnish all such details in full as are required by the Stock Broker in "Account Opening Form" with supporting details, made mandatory by Stock Exchanges/SEBI from time to time.
8. The Client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the Stock Broker shall be non-mandatory, as per terms & conditions accepted by the Client.
9. The Client shall immediately notify the Stock Broker in writing if there is any change in the information in the 'Account Opening Form' as provided at the time of Account Opening and thereafter; including the information on winding up petition/insolvency

10. The Stock Broker and Sub-Broker shall maintain all the details of the Client as mentioned in the Account Opening Form or any other information pertaining to the Client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the Stock Broker may so disclose information about his Client to any person or authority with the express permission of the Client.

MARGINS

11. The Client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the Stock Broker or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the Client trades. The Stock Broker is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House/Clearing Corporation or SEBI) and the Client shall be obliged to pay such margins within the stipulated time.
12. The Client understands that payment of margins by the Client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the Client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/ require.

TRANSACTIONS AND SETTLEMENTS

13. The Client shall give any order for buy or sell of a Security/Derivatives Contract in writing or in such form or manner, as may be mutually agreed between the Client and the Stock Broker. The Stock Broker shall ensure to place orders and execute the trades of the Client, only in the Unique Client Code assigned to that Client.
14. The Stock Broker shall inform the Client and keep him apprised about trading/settlement cycles, delivery/ payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the Client to comply with such schedules/ procedures of the relevant Stock Exchange where the trade is executed.

15. The Stock Broker shall ensure that the money/ securities deposited by the Client shall be kept in a separate account, distinct from his/its own account or account of any other Client and shall not be used by the Stock Broker for himself/itself or for any other Client or for any purpose other than the purposes mentioned in Rules, Regulations, circulars, notices, guidelines of SEBI and/or Rules, Regulations, Bye-laws, circulars and notices of Exchange.
16. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the Client shall ipso facto stand cancelled, Stock Broker shall be entitled to cancel the respective contract(s) with Client(s).
17. The transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars/notices issued thereunder of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Bye-laws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchanges and the circulars/notices issued thereunder.

BROKERAGE

18. The Client shall pay to the Stock Broker brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that Stock Broker renders to the Client. The Stock Broker shall not charge brokerage more than the maximum brokerage permissible as per the rules, regulations and bye-laws of the relevant Stock Exchanges and/or rules and regulations of SEBI.

LIQUIDATION AND CLOSE OUT OF POSITION

19. Without prejudice to the Stock Broker's other rights (including the right to refer a matter to arbitration), the Client understands that the Stock Broker shall be entitled to liquidate/close out all or any of the Client's positions for nonpayment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the Client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the Client.
20. In the event of death or insolvency of the Client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring securities

which the Client has ordered to be bought or sold, Stock Broker may close out the transaction of the Client and claim losses, if any, against the estate of the Client. The Client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result there from. The Client shall note that transfer of funds/securities in favor of a Nominee shall be valid discharge by the Stock Broker against the legal heir.

21. The Stock Broker shall bring to the notice of the relevant Exchange the information about default in payment/delivery and related aspects by a Client. In case where defaulting Client is a corporate entity/ partnership/ proprietary firm or any other artificial legal entity, then the name(s) of Director(s)/ Promoter(s)/ Partner(s)/ Proprietor as the case may be, shall also be communicated by the Stock Broker to the relevant Exchange(s).

DISPUTE RESOLUTION

22. The Stock Broker shall provide the Client with the relevant contact details of the concerned Exchanges and SEBI.
23. The Stock Broker shall co-operate in redressing grievances of the Client in respect of all transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.
24. The Client and the Stock Broker shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued thereunder as may be in force from time to time.
25. The Stock Broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the Client and he shall be liable to implement the arbitration awards made in such proceedings.
26. The Client/Stock Broker understands that the instructions issued by authorized representative for dispute resolution, if any, of the Client/Stock Broker shall be binding on the Client/Stock Broker in accordance with the letter authorizing the said representative to deal on behalf of the said Client/Stock Broker.

TERMINATION OF RELATIONSHIP

27. This relationship between the Stock Broker and the Client shall be terminated; if the Stock Broker for any reason ceases to be a member of the Stock Exchange including cessation of membership by reason of the

Stock Broker's default, death, resignation or expulsion or if the certificate is cancelled by the Board.

28. The Stock Broker, Sub-Broker 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.
 29. In the event of demise/insolvency of the Sub-Broker or the cancellation of his/its registration with the Board or/withdrawal of recognition of the Sub-Broker by the Stock Exchange and/or termination of the agreement with the sub broker by the Stock Broker, for any reason whatsoever, the Client shall be informed of such termination and the Client shall be deemed to be the direct Client of the Stock Broker and all clauses in the 'Rights and Obligations' document(s) governing the Stock Broker, Sub-Broker and Client shall continue to be in force as it is, unless the Client intimates to the Stock Broker his/its intention to terminate their relationship by giving a notice in writing of not less than one month.
33. The Stock Broker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the Client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
 34. The Stock Broker shall send a complete 'Statement of Accounts' for both funds and securities in respect of each of its Clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the Client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock Broker.
 35. The Stock Broker shall send daily margin statements to the Clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/ due from Client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee and securities.

ADDITIONAL RIGHTS AND OBLIGATIONS

30. The Stock Broker shall ensure due protection to the Client regarding Client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the Client with whom and for whom they may have had transactions in securities.
 31. The Stock Broker and Client shall reconcile and settle their accounts from time to time as per the Rules, Regulations, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.
 32. The Stock Broker shall issue a contract note to his constituents for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, Client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The Stock Broker shall
36. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with Stock Broker and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.

ELECTRONIC CONTRACT NOTES (ECN)

e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and nontamperable.

39. The Client shall note that non-receipt of bounced mail notification by the Stock Broker shall amount to delivery of the contract note at the E-mail ID of the Client.
40. The Stock Broker shall retain ECN and acknowledgement of the E-mail in a soft and non-tamperable form in the manner prescribed by the Exchange in compliance with the provisions of the IT Act, 2000 and as per the extant Rules/Regulations/Circulars/ Guidelines issued by SEBI/ Stock Exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the Stock Broker for the specified period under the extant regulations of SEBI/Stock Exchanges. The log report shall provide the details of the Contract Notes that are not delivered to the Client/e-mails rejected or bounced back. The Stock Broker shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant regulations of SEBI/ Stock Exchanges.
41. The Stock Broker shall continue to send Contract Notes in the physical mode to such Clients who do not opt to receive the Contract Notes in the electronic form. Wherever the ECNs have not been delivered to the Client or has been rejected (bouncing of mails) by the E-mail ID of the Client, the Stock Broker shall send a physical contract note to the Client within the stipulated time under the extant regulations of SEBI/ Stock Exchanges and maintain the proof of delivery of such physical Contract Notes.
42. In addition to the E-mail communication of the ECNs to the Client, the Stock Broker shall simultaneously publish the ECN on his designated website, 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.

LAW AND JURISDICTION

43. In addition to the specific rights set out in this document, the Stock Broker, Sub-Broker and the Client shall be entitled to exercise any other rights which the Stock Broker or the Client may have under the Rules, Bye-laws and Regulations of the Exchanges in which the Client chooses to trade and circulars/notices issued thereunder or Rules and Regulations of SEBI.
44. The provisions of this document shall always be subject to Government notifications, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Byelaws of the relevant Stock Exchanges, where the trade is executed, that may be in force from time to time.
45. The Stock Broker and the Client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal within the Stock Exchanges, if either party is not satisfied with the arbitration award.
46. 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, Bye laws and Regulations and circulars/notices issued thereunder of the Exchanges/SEBI.
47. All additional voluntary clauses/document added by the Stock Broker should not be in contravention with rules/ regulations/ 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.
48. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the Rights and Obligations of the parties mentioned in this document.

INTERNET & WIRELESS TECHNOLOGY BASED TRADING FACILITY PROVIDED BY STOCK BROKERS 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. Stock Broker is eligible for providing Internet based trading (IBT) and securities 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 Stock Broker shall comply with all requirements applicable to internet based trading/securities 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 securities and for this purpose, the Client is desirous of using either the internet based trading facility or the facility for securities trading through use of wireless technology. The Stock Broker shall provide the Stock Broker's IBT Service to the Client, and the Client shall avail of the Stock Broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock Broker's IBT Website provided that they are in line with the norms prescribed by Exchanges / SEBI.
3. The Stock Broker shall bring to the notice of Client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology / internet / smart order routing or any other technology should be brought to the notice of the Client by the Stock Broker.
4. The Stock Broker shall make the Client aware that the Stock Broker'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 whatsoever through the Stock Broker'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/securities 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 Stock Broker
6. The Client shall immediately notify the Stock Broker in writing if he forgets his password, discovers security flaw in Stock Broker'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/securities 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 Stock Broker shall send the order/trade confirmation through E-mail 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 Stock Broker 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 Stock Broker and the Exchanged on of make any representation or warranty that the Stock Broker'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 Stock Broker on account of any suspension, interruption, non-availability or malfunctioning of the Stock Broker's IBT System or Service or the Exchange's service or systems or non-execution of his orders due to any link/system failure at the Client/Stock Brokers/ Exchange end for any reason beyond the control of the Stock Broker/ Exchanges.

"Disclaimer : Presently, Ambit Capital Private Limited (the Stock Broker) only provides smart order routing and limited IBT facility by special arrangement to selected Clients at NSE/ BSE. Please note that this being a SEBI prescribed document, which contains references of other facility which are not offered by Ambit Capital Private Limited.

RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET AND DERIVATIVES SEGMENTS

This document contains important information on trading in Equities/Derivatives Segments of the Stock Exchanges. All prospective constituents should read this document before trading in Equities/Derivatives Segments of the Exchanges.

Stock Exchanges/SEBI does neither singly or jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor have Stock Exchanges /SEBI endorsed or passed any merits of participating in the trading segments. This brief statement does not disclose all the risks and other significant aspects of trading.

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

You must know and appreciate that trading in Equity Shares, derivatives contracts or other instruments traded on the Stock Exchange, which have varying 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 Stock Exchanges and suffer adverse consequences or loss, you shall be solely responsible for the same and Stock Exchanges /its Clearing Corporation and/or SEBI shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take a plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned Stock Broker. The constituent shall be solely responsible for the consequences and no contract can be rescinded on that account. You must acknowledge and accept that there can be no guarantee of profits or no exception from losses while executing orders for purchase and/or sale of a derivative contract being traded on Stock Exchanges.

It must be clearly understood by you that your dealings on Stock Exchanges through a Stock Broker shall be subject to your fulfilling certain formalities set out by the Stock Broker, which may inter alia include your filling the Know Your Client Form, reading the Rights and Obligations, Do's and Don'ts, etc., and are subject to the Rules, Bye-laws and Regulations of relevant Stock Exchanges, its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued

by Stock Exchanges or its Clearing Corporation and in force from time to time.

Stock Exchanges 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 Stock Broker of Stock Exchanges and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

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

1. BASIC RISKS:

1.1 Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that a security/derivatives contract undergoes when trading activity continues on the Stock Exchanges. Generally, higher the volatility of a security/derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded securities/ derivatives contracts than in active securities/derivatives contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

1.2 Risk of Lower Liquidity:

Liquidity refers to the ability of market participants to buy and/or sell securities/ derivatives contracts expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the numbers of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy and/or sell securities/ derivatives contracts swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities/ derivatives contracts purchased or sold. There may be a risk of lower liquidity in some securities/ derivatives contracts as compared to active securities/ derivatives contracts. As a result, your order may only be partially executed, or may be executed with relatively greater price difference

or may not be executed at all.

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

1.3 Risk of Wider Spreads:

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

1.4 Risk-reducing Orders :

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

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

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

1.4.3 A stop loss order is generally placed "away" from the current price of a stock/ derivatives contract, and such order gets activated if and when the security / derivatives contract reaches, or trades through, the stop price. Sell stop orders are entered ordinarily below the current price, and buy stop orders are entered ordinarily above the current price. When the security / derivatives contract reaches the pre-determined price, or trades through such price, the stop loss order converts to a market/limit order and is executed at

the limit or better. There is no assurance therefore that the limit order will be executable since a security/ derivatives contract might penetrate the pre-determined price, in which case, the risk of such order not getting executed arises, just as with a regular limit order.

1.5 Risk of News Announcements:

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

1.6 Risk of Rumors:

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

1.7 System Risk:

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

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

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

1.8 System/Network Congestion:

Trading on Exchanges is in electronic mode, based on satellite / leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading system/network, which may be beyond control and may result in delay in processing or

not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

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

2.1 Effect of "Leverage" or "Gearing":

In the Derivatives market, the amount of margin is small relative to the value of the Derivatives Contract so the transactions are 'leveraged' or 'geared'. Derivatives Trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the margin amount. But transactions in Derivatives carry a high degree of risk. You should therefore completely understand the following statements before actually trading in Derivatives and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

- A. Futures trading involve daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the Index / Derivatives Contract. If the contract has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This amount will have to be paid within a stipulated time frame, generally before commencement of trading on next day.
- B. If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the Stock Broker may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.
- C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.
- D. In order to maintain market stability, the following steps may be adopted: changes in the margin

rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.

- E. You must ask your Broker to provide the full details of Derivatives Contracts you plan to trade i.e. the contract specifications and the associated obligations.

2.2 Currency Specific Risks:

1. The profit or loss in transactions in foreign currency-denominated contracts, whether they are traded in your own or another jurisdiction, will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.
2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed trading bands are widened.
3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, Exchange Control Programs and Policies of Governments; foreign political and economic events and policies; changes in national and international interest rates and in inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor's advice will result in profitable trades for a participating customer or that a customer will not incur losses from such events.

2.3 Risk of Option Holders:

1. An Option Holder runs the risk of losing the entire amount paid for the Option in a relatively short period of time. This risk reflects the nature of an Option as a wasting asset which becomes worthless when it expires. An Option Holder who neither sells his Option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the Option. If the price of the underlying does not change in the anticipated direction before the Option expires, to an extent sufficient to cover the cost of the Option, the investor may lose all or a significant part of his investment in the Option.
2. The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of Options at certain times in specified circumstances.

2.4 Risks of Option Writers:

1. If the price movement of the underlying is not in the anticipated direction, the Option Writer runs the risks of losing substantial amount.
 2. The risk of being an Option Writer may be reduced by the purchase of other Options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the Options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.
 3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.
3. **TRADING THROUGH WIRELESS TECHNOLOGY/ SMART ORDER ROUTING OR ANY OTHER TECHNOLOGY:**

Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/ smart order routing or any other technology should be brought to the notice of the Client by the Stock Broker.
 4. **GENERAL**
 - 4.1 The term 'constituent' shall mean and include a Client, a Customer or an Investor, who deals with a Stock Broker for the purpose of acquiring and/or selling of Securities / Derivatives Contracts through the mechanism provided by the Exchanges.
 - 4.2 The term 'Stock Broker' shall mean and include a Stock Broker, a Broker or a Stock Broker, who has been admitted as such by the Exchanges and who holds a registration certificate from SEBI.

GUIDANCE NOTE - DO'S AND DON'Ts FOR TRADING ON THE EXCHANGE(S) FOR INVESTORS

BEFORE YOU BEGIN TO TRADE

1. Ensure that you deal with and through only SEBI registered intermediaries. You may check their SEBI registration certificate number from the list available on the Stock Exchanges www.nseindia.com, www.bseindia.com and SEBI website www.sebi.gov.in.
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the Stock Broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the Stock Broker. Note that the clauses as agreed between you and the Stock Broker cannot be changed without your consent.
5. Get a clear idea about all brokerage, commissions, fees and other charges levied by the broker on you for trading and the relevant provisions/ guidelines specified by SEBI/Stock Exchanges.
6. Obtain a copy of all the documents executed by you from the Stock Broker free of charge.
7. In case you wish to execute Power of Attorney (POA) in favour of the Stock Broker, authorizing it to operate your Bank and Demat Account, please refer to the guidelines issued by SEBI/Exchanges in this regard.

TRANSACTIONS AND SETTLEMENTS

8. The Stock Broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your E-mail ID to the Stock Broker for the same. Don't opt for ECN if you are not familiar with computers.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the Stock Broker.
11. Make the payments by Account Payee Cheque in favour of the Stock Broker. Don't issue cheques in the name of Sub-Broker. Ensure that you have a documentary proof of your payment/deposit of securities with the Stock Broker, stating date, scrip, quantity, towards which Bank/ Demat Account such money or securities deposited and

from which Bank/ Demat Account.

12. Note that facility of Trade Verification is available on Stock Exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where Trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock Exchange.
13. In case you have given specific authorization, payout of funds or delivery of securities as the case may be, may not be made to you within one working day from the receipt of payout from the Exchange. Thus the Stock Broker may maintain a running account for you subject to the following conditions:
 - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
 - b) The actual settlement of Funds and Securities shall be done by the Stock Broker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the Stock Broker shall send to you a 'Statement of Accounts' containing an extract from the Client ledger for funds and an extract from the register of securities displaying all the receipts/deliveries of funds and securities. The statement shall also explain the retention of Funds and Securities and the details of the pledged shares, if any.
 - c) On the date of settlement, the Stock Broker may retain the requisite Securities/Funds towards outstanding obligations and may also retain the Funds expected to be required to meet derivatives margin obligations for next 5 trading days, calculated in the manner specified by the Exchanges. In respect of cash market transactions, the Stock Broker may retain entire pay-in obligation of Funds and Securities due from Clients as on date of settlement and for next day's business, he may retain Funds/Securities/ Margin to the extent of value of transactions executed on the day of such settlement in the cash market.
 - d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the Stock Broker in writing preferably within 7 (seven) working days from the date of receipt of funds /securities or statement, as the

case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock Exchanges without delay.

14. In case you have not opted for maintaining running account and pay-out of funds/securities is not received on the next working day of the receipt of payout from the Exchanges, please refer the matter to the Stock Broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock Exchange.
15. Please register your mobile number and E-mail ID with the Stock Broker, to receive trade confirmation Alerts/ Details of the transactions through SMS or E-mail, by the end of the trading day, from the Stock Exchanges.

IN CASE OF TERMINATION OF TRADING MEMBERSHIP

16. In case, a Stock Broker surrenders his membership, is expelled from membership or declared a defaulter; Stock Exchanges gives a public notice inviting claims relating to only the "transactions executed on the Trading System" of Stock Exchange, from the investors. Ensure that you lodge a claim with the relevant Stock Exchanges within the stipulated period and with the supporting documents.

17. Familiarize yourself with the protection accorded to the money and/or securities you may deposit with your Stock Broker, particularly in the event of a default or the Stock Broker's insolvency or bankruptcy and the extent to which you may recover such Money and/or Securities may be governed by the Bye-laws and Regulations of the relevant Stock Exchange where the trade was executed and the scheme of the Investors' Protection Fund in force from time to time.

DISPUTES / COMPLAINTS

18. Please note that the details of the arbitration proceedings, penal action against the brokers and investor complaints against the Stock Brokers are displayed on the website of the relevant Stock Exchange.
19. In case your issue/problem/grievance is not being sorted out by concerned Stock Broker/Sub-Broker then you may take up the matter with the concerned Stock Exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.
20. Note that all the Stock Broker/Sub-Brokers have been mandated by SEBI to designate an E-mail ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints.

POLICIES AND PROCEDURES FOR CLIENT DEALINGS - ALL EXCHANGES

(MANDATORY - as required by SEBI circular MIRSD/ SE /Cir-19/2009 dated December 3, 2009)

The following are the policies and procedures formulated by Ambit Capital Pvt. Ltd. (AMBIT):

i) Refusal of Orders for Penny/Illiquid Securities:

AMBIT is advising its Clients not to deal in penny securities, illiquid stocks, stocks with low liquidity, illiquid options, far month options, writing of options, stocks in S,Z,B2 category, stocks subject to heavy market volatility from time to time. A list of securities which are illiquid / penny shall be classified from time to time based on internal criteria. Apart from this, Client may refer to the list of illiquid securities notified on periodic basis by the Stock Exchanges concerned. If Client deals with the penny stocks, 100% margin will be taken from the Client and these shares will not be considered for Margin deposit. AMBIT reserves the right to refuse execution of any transaction requests of the Client on such mentioned securities or to reduce the open market interests of the Client in such securities from time to time without assigning any reasons notwithstanding the fact that the Client has adequate credit balance or margin available in his/her account and/or the Client had previously purchased/sold such securities. AMBIT may take declarations from Client as it deems appropriate while accepting such orders. The Client agrees that the losses, if any, on account of such refusal of orders or due to delay caused by such limits, shall be borne exclusively by the Client alone.

ii) Setting up of Exposure limits:

The Client agrees to abide by the exposure limits set by the AMBIT or/and by the Exchange or/and Clearing Corporation or/and SEBI from time to time. The Exposure / Trading limits to the Client would be set based on the margin lying to the credit of the Client in the form of Funds / Approved Securities / FDR / Bank Guarantee from approved Banks. In setting exposure limits for the Client, the factors shall be considered like Client's risk profile, risk appetite, loss bearing capacity, payment history, market volatility, risk management policy of the company and such other factors or conditions which AMBIT may consider relevant for the purpose from time to time. AMBIT reserves liberty to vary the trading/ exposure limits of the Client depending upon its risk assessment from time to time having regard to the changes in any of the factors or market conditions bearing on the risk profile of the Client. The Client agrees that the losses, if any on account of delay

caused by such review or refusal of execution of order, shall be borne exclusively by the Client alone.

iii) Applicable Brokerage Rate:

AMBIT shall levy Brokerage Rate for the Client's transactions as per the brokerage slabs mutually agreed with the Client in writing in the Trading Account Opening Form subject to the maximum rate prescribed by the Stock Exchanges / SEBI. The Client confirms and agrees that the brokerage shall be paid in the manner intimated by AMBIT to the Client periodically, including as a percentage of the value of the trade or as a flat fee or otherwise, together with the service tax and other taxes as may be applicable from time to time on the same. However, brokerage shall be exclusive of the following - DP related charges, Account Opening Charges, Delayed Payment Charges, Penalties Levied by Exchange, Research Advisory Charges, Courier Charges, Bank Charges, Charges towards periodic settlement of funds and securities, Statutory Charges payable to Regulators, Statutory levies and any other lawful out of pocket expenses/service related charges. Any change in the brokerage rate shall be intimated to the Client on his/her registered E-mail address or registered postal address at least 15 days in advance or shall be as per mutual understanding.

iv) Imposition of Penalty / Delayed payment charges by either party:

The Client is required to pay all lawful amounts due to the Trading Member on its due date. The amount due to broker shall include all type of Margin prescribed by SEBI/ Exchanges and Payin obligation or on account of any other lawful reason. Client shall be liable to penalty and other lawful charges on non payment of margin money, short selling of securities or units, loss due to auction, cheque bounce, non-delivery of shares, increase open position or on any orders/ trades/ deals/ actions of the Client which are contrary to the agreed Terms & Conditions/ Rules/ Regulations/ Bye-laws of the Exchange or any other law for the time being in force as per Rules, Regulations, Guidelines and Circulars issued by SEBI and Stock Exchange from time to time and Client will be kept informed about the rate of such penalties & fines. In case the Client does not pay the amount due on time and where the Client takes exposure in F&O segment by depositing collaterals

in a ratio which is disproportionate to the cash versus collateral ratios prescribed by the Exchanges, AMBIT shall charge delayed payment fee up to the rate of 2% per month. on the daily outstanding value or at such rates as may be determined from time to time by AMBIT, as per the applicable Rules and Regulations. While levying delayed payment charges or interest on the debit balance in the running account of the Client, AMBIT will not consider any credit balance in the other family or group account of the Client. The objective of charging such a charge is to make a Client to clear their dues on a timely basis. It should not be construed as allowing to keep the running debit in the account and take the further exposure. Further Exchanges levy various penalties on the member brokers on auction resulting from short deliveries, non adherence to Client wise exposure limit, Client wise short fall in F&O margins and for any other reason which may be defined by the Exchange from time to time. Ambit is therefore authorized by the Client to pass on any penalty imposed by the Exchange/ SEBI and or any other regulatory authority to the Client which arises on account of such actions from the Client. All fines/ penalties and charges levied upon the Client due to its acts/ deeds or transactions will be recovered by AMBIT directly from the Client's account.

- v) 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 to the extent of settlement/ margin obligation:

In the event of the Client failing to maintain/ supply applicable margin money required to sustain the outstanding market positions of the Client, AMBIT shall be entitled, at its option and liberty, to liquidate/ close out all outstanding market positions or any part thereof such that the outstanding market positions are either zeroed out or reduced to an extent where available margin covers the market positions remaining after such square off. AMBIT may also sell off all or any securities of the Client lying with AMBIT as collateral or otherwise, for any lawful amounts due by the Client and adjust the proceeds of such liquidation/ close out against the Client's liabilities/ obligations to AMBIT. Any and all losses and financial charges on account of such liquidation/ closing-out shall be charged to and borne by the Client. AMBIT shall also have right to close out any intra day positions taken by the Client, in above circumstances. Such liquidation/close out may be without any prior reference or notice to the Client. Client shall keep and hold AMBIT indemnified and

harmless from any loss arising out of such closing out/ squaring off.

- vi) Shortages in obligations arising out of Internal Netting of trades:

If the Client has short delivered any securities against his/her/its pay-in obligation which resulted in internal shortage i.e. resulting in failure of delivery of securities to another Client of AMBIT who purchased the securities and the securities could not be auctioned in the market (self-auction), then close out price will be higher of the trade day's closing rate or 10% above the closing price on settlement (Pay-in/ Pay-out) day or such other rate as may be revised by AMBIT from time to time as per applicable guidelines of SEBI/ Exchange. The close out value which will be arrived after taking into account the close out price as mentioned above, will be charged to seller & then the same will be passed on to the buyer.

- vii) Conditions wherein Client may not be allowed to take further position / existing position will be closed:

AMBIT reserves the right to restrict or refuse execution of any orders for transaction in any scrip if transaction in such scrip is not in accordance with its internal policy or penny/ Illiquid securities and/ or the directives and guidelines of the Exchanges/ Regulators issued from time to time. AMBIT may impose trade restrictions on any scrip based on any one or more of the following factors viz.

- i) Market volatility,
 - ii) Price sensitive announcements relating to any scrip,
 - iii) Restrictions on trade volume imposed by the Exchange concerned,
 - iv) Political instability in the country,
 - v) External aggression or internal rebellion,
 - vi) Default by the Client to maintain applicable collateral / margin or to make payment of dues,
 - vii) Client exceeded its eligible exposure,
 - viii) Account is closed or suspended or such other factors influencing the securities market.
- viii) Temporarily suspending or closing a Client's Account at the Client's request:

The Client shall request in writing to AMBIT for suspension of transactions in Client's account and AMBIT may on receipt of such request suspend transactions in the account. The Client shall ensure pay in of Funds and Securities in respect of all transactions pending to be settled on or before the

respective settlement date(s) and shall compulsorily square off all open derivative positions, failing which AMBIT without further reference to the Client shall square off all open derivative positions prior to suspending the account.

ix) De-registering a Client's Account:

AMBIT reserves the right to de-register the Client in the event of

1. Where the Client is inactive for more than 6 consecutive months
2. Where the Client has not cleared the naked or uncovered debits which are more than 7 days old
3. Where the Account is under investigation by any regulatory body
4. Internal surveillance reports on unfair Client dealings and transactions
5. Contract Notes (Physical and /or Electronic) if received back undelivered on a periodic basis
6. Client lodges a complaint either directly or through Exchanges regarding unauthorized trades being executed in the account
7. On notices being received from Statutory, Government or local authorities and Income Tax/ Service Tax, Judicial or Quasi-judicial Authorities
8. Where a Client is reported to or known to have expired

AMBIT may carry a periodic review of the Client Accounts and may suspend the Accounts from Trading in any of the following circumstances, but not limited to the same -

1. Any breach of the agreed Terms & Conditions
2. Violation of any Rules, Bye-Laws, Regulations of SEBI or the Stock Exchange or of the provisions of any law for the time being in force governing dealings in the securities market without prior notice

3. On the directions of SEBI / the Exchanges.
4. Upon death, winding up, bankruptcy, liquidation or Client is designated as a defaulter by any credit rating agency or any action or proceedings have been initiated by the relevant Regulator/Authority including without limitation to SEBI.
5. The Client fails to fulfil his payment obligation due to the Stock Broker.
6. The Client has misrepresented facts at the time of opening Trading Account or at the time of giving instruction or otherwise.

x) Policy regarding treatment of Inactive Clients:

The Clients who have not traded for last more than Six months will be marked as "Inactive Account" except for the Clients for which internal approval to extend the above timeline by another Six months has been provided. Further in all cases the Clients will be marked as "Inactive Account" if there are no trades for last more than 1 year.

If the Account is marked as "Inactive Account", the surplus funds or securities shall be refunded/ returned to Clients at his/her/their last known Bank Account/ DP account/ Client's address as per the details available in the Account Opening Form.

For reactivating the Account, the Client has to request in writing or through registered E-mail to AMBIT and on receipt of such request for reactivation, Account will be reactivated subject to compliance with prevailing KYC norms and internal approvals.

All rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to de-registration of the Client shall continue to subsist and vest in / be binding on the respective parties or his/her/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.

RIGHTS AND OBLIGATIONS OF BENEFICIAL OWNER AND DEPOSITORY PARTICIPANT AS PRESCRIBED BY SEBI AND DEPOSITORIES

General Clause

1. The Beneficial Owner and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996, Rules and Regulations of Securities and Exchange Board of India (SEBI), Circulars/ Notifications/ Guidelines issued there under, Bye Laws and Business Rules/ Operating Instructions issued by the Depositories and relevant notifications of Government Authorities as may be in force from time to time.
2. The DP shall open/activate demat account of a beneficial owner in the depository system only after receipt of complete Account opening form, KYC and supporting documents as specified by SEBI from time to time.

Beneficial Owner Information

3. The DP shall maintain all the details of the beneficial owner(s) as mentioned in the account opening form, supporting documents submitted by them and/or any other information pertaining to the beneficial owner confidentially and shall not disclose the same to any person except as required by any statutory, legal or regulatory authority in this regard.
4. The Beneficial Owner shall immediately notify the DP in writing, if there is any change in details provided in the account opening form as submitted to the DP at the time of opening the demat account or furnished to the DP from time to time.

Fees/ Charges/ Tariff

5. The Beneficial Owner shall pay such charges to the DP for the purpose of holding and transfer of securities in dematerialized form and for availing depository services as may be agreed to from time to time between the DP and the Beneficial Owner as set out in the Tariff Sheet provided by the DP. It may be informed to the Beneficial Owner that "no charges are payable for opening of demat accounts".
6. In case of Basic Services Demat Accounts, the DP shall adhere to the charge structure as laid down under the relevant SEBI and/or Depository circulars/ directions/ notifications issued from time to time.
7. The DP shall not increase any charges/tariff agreed upon unless it has given a notice in writing of not less than thirty days to the Beneficial Owner regarding the same.

Dematerialization

8. The Beneficial Owner shall have the right to get the securities, which have been admitted on the Depositories, dematerialized in the form and manner laid down under the ByeLaws, Business Rules and Operating Instructions of the depositories.

Separate Accounts

9. The DP shall open separate accounts in the name of each of the beneficial owners and securities of each beneficial owner shall be segregated and shall not be mixed up with the securities of other beneficial owners and/or DP's own securities held in dematerialized form.
10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and/ or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996 and Bye-Laws/Operating Instructions/ Business Rules of the Depositories.

Transfer of Securities

11. The DP shall effect transfer to and from the demat accounts of the Beneficial Owner only on the basis of an order, instruction, direction or mandate duly authorized by the Beneficial Owner and the DP shall maintain the original documents and the audit trail of such authorizations.
12. The Beneficial Owner reserves the right to give standing instructions with regard to the crediting of securities in his demat account and the DP shall act according to such instructions.

Statement of account

13. The DP shall provide statements of accounts to the beneficial owner in such form and manner and at such time as agreed with the Beneficial Owner and as specified by SEBI/depository in this regard.
14. However, if there is no transaction in the demat account, or if the balance has become Nil during the year, the DP shall send one physical statement of holding annually to such Bos and shall resume sending the transaction statement as and when there is a transaction in the account.
15. The DP may provide the services of issuing the statement of demat accounts in an electronic mode if the Beneficial Owner so desires. The DP will furnish to the Beneficial Owner the statement of demat accounts under its digital signature, as governed under the Information Technology Act, 2000. However if the DP does not have the facility of providing the statement of demat account in the electronic mode, then the Participant shall be obliged to forward the statement of demat accounts in physical form.
16. In case of Basic Services Demat Accounts, the DP shall send the transaction statements as mandated by SEBI and/or Depository from time to time.

Manner of Closure of Demat account

17. The DP shall have the right to close the demat account of the Beneficial Owner, for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository. Similarly, the Beneficial Owner shall have the right to close his/her demat account held with the DP provided no charges are payable by him/her to the DP. In such an event, the Beneficial Owner shall specify whether the balances in their demat account should be transferred to another demat account of the Beneficial Owner held with another DP or to rematerialize the security balances held.
18. Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository. Provided further, closure of demat account shall not affect the rights, liabilities and obligations of either the Beneficial Owner or the DP and shall continue to bind the parties to their satisfactory completion.

Default in payment of charges

19. In event of Beneficial Owner committing a default in the payment of any amount provided in Clause 5 & 6 within a period of thirty days from the date of demand, without prejudice to the right of the DP to close the demat account of the Beneficial Owner, the DP may charge interest at a rate as specified by the Depository from time to time for the period of such default.
20. In case the Beneficial Owner has failed to make the payment of any of the amounts as provided in Clause 5 & 6 specified above, the DP after giving two days notice to the Beneficial Owner shall have the right to stop processing of instructions of the Beneficial Owner till such time he makes the payment along with interest, if any.

Liability of the Depository

21. As per Section 16 of Depositories Act, 1996,
 1. Without prejudice to the provisions of any other law for the time being in force, any loss caused to the beneficial owner due to the negligence of the depository or the participant, the depository shall indemnify such beneficial owner.
 2. Where the loss due to the negligence of the participant under Clause (1) above, is indemnified by the depository, the depository shall have the right to recover the same from such participant.

Freezing/ Defreezing of accounts

22. The Beneficial Owner may exercise the right to freeze/defreeze his/her demat account maintained with the DP in accordance with the procedure and subject to the restrictions laid down under the Bye

Laws and Business Rules/Operating Instructions.

23. The DP or the Depository shall have the right to freeze/defreeze the accounts of the Beneficial Owners on receipt of instructions received from any regulator or court or any statutory authority.

Redressal of Investor grievance

24. The DP shall redress all grievances of the Beneficial Owner against the DP within a period of thirty days from the date of receipt of the complaint.

Authorized representative

25. If the Beneficial Owner is a body corporate or a legal entity, it shall, along with the account opening form, furnish to the DP, a list of officials authorized by it, who shall represent and interact on its behalf with the Participant. Any change in such list including additions, deletions or alterations thereto shall be forthwith communicated to the Participant.

Law and Jurisdiction

26. In addition to the specific rights set out in this document, the DP and the Beneficial owner shall be entitled to exercise any other rights which the DP or the Beneficial Owner may have under the Rules, Bye Laws and Regulations of the respective Depository in which the demat account is opened and circulars/notices issued there under or Rules and Regulations of SEBI.
27. The provisions of this document shall always be subject to Government notification, any rules, regulations, guidelines and circulars/ notices issued by SEBI and Rules, Regulations and Bye-laws of the relevant Depository, where the Beneficial Owner maintains his/ her account, that may be in force from time to time.
28. The Beneficial Owner and the DP shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of the depository and that such procedure shall be applicable to any disputes between the DP and the Beneficial Owner.
29. Words and expressions which are used in this document but which are not defined herein shall unless the context otherwise requires, have the same meanings as assigned thereto in the Rules, Bye-laws and Regulations and circulars/notices issued there under by the depository and/or SEBI.
30. Any changes in the rights and obligations which are specified by SEBI/ Depositories shall also be brought to the notice of the clients at once.
31. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Depository, where the Beneficial Owner maintains his/her account, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

DETAILS OF TERMS & CONDITIONS FOR THE INVESTOR / CLIENT FOR USING MUTUAL FUND TRANSACTION FACILITY

1. Pre-requisites for becoming Client/Investor for Mutual Fund Transaction Facilities:

- 1.1. The client who is desirous of investing in units of mutual fund schemes through the Mutual Fund Transaction Facilities available at the Exchanges platform.
- 1.2. The Client intends to execute his instruction for the subscription/redemption of units of Mutual Fund Schemes through the broker who is a Mutual fund Intermediary (MFI)/ Participant (hereinafter referred as Ambit Capital Private Limited) of the Mutual Fund Transaction Facilities.
- 1.3. The client has satisfied itself of the capacity of Ambit Capital Private Limited to deal in Mutual Fund units and wishes to execute its instruction through Ambit Capital Private Limited and the client shall from time to time continue to satisfy itself of such capability of Ambit Capital Private Limited before executing transacting through Ambit Capital Private Limited.
- 1.4. The Client has approached to Ambit Capital Private Limited with the application for availing the Mutual Fund Transaction Facilities.
- 1.5. The client has submitted relevant KYC (Know Your Client) details to the Ambit Capital Private Limited.

2. Terms and Conditions

- 2.1. The client shall be bound by circulars issued by the Exchanges, Rules, Regulations and Notices/circulars issued there under by SEBI and relevant notifications of Government authorities as may be in force from time to time.
- 2.2. The client shall notify Ambit Capital Private Limited in writing if there is any change in the information in the 'client registration form' provided by the client to Ambit Capital Private Limited at the time of registering as a client for participating in the Mutual Fund Transaction Facilities or at any time thereafter.
- 2.3. The client shall submit to Ambit Capital Private Limited a completed application form in the manner prescribed format for the purpose of placing a subscription order with Ambit Capital Private Limited.
- 2.4. The client has read and understood the risks involved in investing in Mutual Fund Schemes.
- 2.5. The client shall be wholly responsible for all his investment decisions and instruction.
- 2.6. The client shall ensure continuous compliance with

the requirements of the Exchanges, SEBI and AMFI.

- 2.7. The Client shall pay to Ambit Capital Private Limited fees 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 Ambit Capital Private Limited renders to the Client.
 - 2.8. The client will furnish information to Ambit Capital Private Limited in writing, if any winding up petition or insolvency petition has been filed or any winding up or insolvency order or decree or award is passed against him or if any litigation which may have material bearing on his capacity has been filed against him.
 - 2.9. In the event of non-performance of the traded obligation by Ambit Capital Private Limited, the client is not entitled to claim any compensation either from the Investor Protection Fund or from any fund of Exchanges or its Clearing Corporation.
 - 2.10. In case of any dispute between the Ambit Capital Private Limited and the investors arising out of Mutual Fund Transaction Facilities Exchanges and/or Clearing Corporation agrees to extend the necessary support for the speedy redressal of the disputes.
- ### **3. Additional Terms and conditions:**
- 3.1. Mutual fund Transaction Facilities provided by Ambit Capital Private Limited shall be available for the units of the eligible schemes which are in dematerialized form. The said facility shall not be provided for the units of the schemes which are not available in dematerialized form.
 - 3.2. **Fees:** Ambit Capital Private Limited reserves the right to charge such fees from time to time as it deems fit for providing the services to the Client and the Client agrees and undertakes to pay fees/ brokerage and statutory levies/charges as may be levied by Ambit Capital Private Limited from time to time.
 - 3.3. The Client agrees and understands that Ambit Capital Private Limited is only a facilitator for the client for applying in the Mutual Fund units. Allotment of units shall be at the sole discretion of the respective Asset Management Company ("AMC") and the Ambit Capital Private Limited shall not be held liable or responsible for any act/ deed/ non-action of the AMC.
 - 3.4. The Client agrees and undertakes to provide funds

to Ambit Capital Private Limited equivalent to the subscription amount and applicable brokerage/ fees/ charges before applying for mutual fund units through the Ambit Capital Private Limited. The client further agrees and authorizes the Ambit Capital Private Limited to utilize the surplus funds in the client's Broking account held with the Ambit Capital Private Limited in its capacity as a Stock Broker and transfer funds to the extent of subscription amount and/ or applicable brokerage, fees and charges (in case of both subscription and redemption) to meet the trade related debit in the clients Mutual fund transaction account.

- 3.5. The Client and Ambit Capital Private Limited agree to refer any claims and/ or disputes to the Arbitration under the Indian Arbitration and Conciliation Act, 1996.
- 3.6. The Client have read and understood the terms and conditions mentioned above and agree to abide by them and any amendments thereto made by Ambit Capital Private Limited from time to time which will be intimated in writing.

4. Internet based trading facility:

- 4.1. Client is fully aware about the features, risks, responsibilities, obligations and liabilities associated with internet based trading facility and same has been brought to client notice by Ambit Capital Private Limited for Mutual Fund Transaction Facilities.
- 4.2. 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 internet based trading facility offered by Ambit Capital Private Limited and undertakes to ensure that the password will not revealed to any third

party including employees and dealers of the Ambit Capital Private Limited.

- 4.3. Client shall immediately notify Ambit Capital Private Limited in writing if client forgets password, discovers security flaw in internet based trading facility, discovers/suspects discrepancies/ unauthorized access through client username/ password/ account with full details of such unauthorized use, the date, the manner and the transactions effected pursuant to such unauthorized use, etc.
- 4.4. Client is fully aware of and understands the risks associated with availing of a service for routing orders over the internet based trading facility and shall be fully liable and responsible for any and all acts done in client's Username/password in any manner whatsoever.
- 4.5. Client is fully aware that trading over the internet based trading facility involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. are susceptible to interruptions and dislocations. The Ambit Capital Private Limited and the Exchange do not make any representation or warranty that internet based trading facility will be available to client at all times without any interruption.
- 4.6. Client shall not have any claim against the Exchange or the Ambit Capital Private Limited on account of any suspension, interruption, non-availability or malfunctioning of internet based trading facility offered by Ambit Capital Private Limited or Service or the Exchange's service or systems or non-execution of client's orders due to any link/system failure at client/ or Ambit Capital Private Limited or Exchanges end for any reason beyond the control of Ambit Capital Private Limited/ Exchanges.



The Ambit identity© comprises an abacus - in the shape of the letter 'A' - a simple yet powerful tool that helps users perform complex mathematical equations at high speeds.
At Ambit, the business tool we use in our acumen.