

Investor Charter – Stock Broker

VISION

To provide a safe, equitable, transparent, and trusted platform for investors to participate across asset classes with highest standards of integrity for investors.

MISSION

- To provide transparent, equitable and reliable markets with timely and accurate information dissemination for investors.
- To provide the highest standards of investor education, investor awareness and investor protection and timely services.

BUSINESS TRANSACTED BY THE EXCHANGE WITH INVESTORS:

The Exchange facilitates various products for investors to participate across asset classes viz Equity, Commodities, Derivatives, Debt, Mutual Funds, Government securities etc. Details available on the link

(NSE: <https://www.nseindia.com/products-services>)

(BSE: <https://mock.bseindia.com/markets.html>)

(MCX: <https://www.mcxindia.com/products/>)

SERVICES PROVIDED BY THE EXCHANGE TO INVESTORS

Exchange provides various services to investors electronically through its online platform and physically through the dedicated common Investor Service Centers (ISC) set for this purpose. Details available on the link

(NSE:https://nsearchives.nseindia.com/web/sites/default/files/inline-files/SERVICES_PROVIDED_BY_THE_EXCHANGES_TO_INVESTORS.pdf)

(BSE: <https://www.bseindia.com/investor.html>)

(MCX:https://www.mcxindia.com/docs/default-source/investor-grievance-arbitration/investors-charter/services-to-investors.pdf?sfvrsn=bb083191_2)

GRIEVANCE REDRESSAL MECHANISM

(1) Mode of filing the complaints – Complaints can be lodged on the Exchange in the following ways:

- (i) Through SCORES 2.0 (a web based centralized grievance redressal system of SEBI) [<https://scores.sebi.gov.in>]

Two Level Review:

- a. First review done by Exchange
- b. Second review done by SEBI

- (ii) Emails to designated email IDs of Exchange

NSE: (<https://www.nseindia.com/contact/investor-services-centre>)

BSE: (https://www.bseindia.com/static/investors/cac_tm.aspx)

MCX: (<https://www.mcxindia.com/Investor-Services/grievances/address-of-the-igrc-centres>)

- (iii) Through SMARTODR (<https://smartodr.in/login>) dedicated for the filing of complaint. Regarding documents required for complaint resolution, please refer to link <https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Documents%20to%20be%20submitted%20by%20Parties.pdf>

(2) Process flow for Complaint Resolution Process through Scores 2.0

<<refer to [Schedule III of the SEBI Circular dated September 20, 2023](#)>>

Online Dispute Resolution (ODR)

1.	Online Dispute Resolution (ODR) platform for online Conciliation and Arbitration	If the Investor is not satisfied with the resolution provided by the Market Participants, then the Investor has the option to file the complaint/ grievance on SMARTODR platform for its resolution through online conciliation or arbitration. [SMARTODR]
2.	Steps to be followed in ODR for Review, Conciliation and Arbitration	<ul style="list-style-type: none"> ➤ Investor to approach Market Participant for redressal of complaint ➤ If investor is not satisfied with response of Market Participant, he/she has either of the following 2 options: May escalate the complaint on SEBI SCORES portal. (In this scenario the above steps shall prevail) May also file a complaint on SMARTODR portal for its resolution through online conciliation and arbitration. ➤ Upon receipt of complaint on SMARTODR portal, the relevant MII will review the matter and endeavour to resolve the matter between the Market Participant and investor within 21 days. ➤ If the matter could not be amicably resolved, then to the matter shall be referred for conciliation. ➤ During the conciliation process, the conciliator will endeavour for amicable settlement of the dispute within 21 days, which may be extended with 10 days by the conciliator with consent of the parties to dispute. ➤ If the conciliation is unsuccessful, then the investor may request to refer the matter for arbitration. ➤ The arbitration process to be concluded by arbitrator(s) within 30 days, which is extendable by 30 days with consent of the parties to dispute ➤ If the parties are not satisfied with the arbitration award option to file u/s 34 of Arbitration and Conciliation Act 1996.

RIGHTS AND OBLIGATION OF INVESTORS

a) Investor has a Right to:

- Get a copy of KYC and other documents executed.
- Get Unique Client Code (UCC) allotted.
- Place order on complying with the norms agreed to with the Trading Member (TM).
- Get best price for trade execution.
- Receive various SMS, emails and information from TMs regarding trade confirmations.
- Get Contract notes for trades executed from the TM in the specified format given by the Exchange showing transaction price, brokerage, GST and STT etc. as applicable, separately, within 24 hours of your trades.
- Receive funds and securities/commodities on time within 24 hours from payout.
- Receive statement of accounts from TM at least once in a quarter/ month from your TM.
- Settlement of accounts as per terms of agreement.
- Get the details of Principal Officer/Compliance Officer of the TM.
- Get information of all the businesses done by the TM.
- Receive all benefits/material information declared for the investors by the Company.
- Prompt services from the company such as transfers, dematerialization, Sub-divisions and consolidation of holdings in the company.
- As an equity holder have a right to subscribe to further issue of capital by the Company.
- Approach nearest Common Investor Service Centre's for lodging a complaint.
- Complaint and avail dispute resolution mechanism against TM or listed company.
- Raise queries on excess brokerage and other charges charged by TMs.
- File arbitration against TMs for disputes.
- Challenge the arbitration award before court of law.
- Privacy and Confidentiality.
- Fair & True Advertisement – Potential Risks to be clarified.
- Exit from financial product or service.
- Receive clear guidance and caution notice when dealing in Complex and High-Risk Financial Products and Services.
- Provide feedback on the financial products and service used.

b) Investor obligations/ Responsibilities

- Deal with a SEBI registered Stock Brokers and Depository Participants for opening trading account and demat account.
- Provide complete documents for account opening and KYC (Know Your Client). Fill all the required details in Account Opening Form / KYC form in own handwriting and cancel out the blanks.
- Read all documents and conditions being agreed before signing the account opening form.
- Accept the Delivery Instruction Slip (DIS) book from DP only (pre- printed with a serial number along with client ID) and keep it in safe custody and do not sign or issue blank or partially filled DIS.
- Always mention the details like ISIN, number of securities accurately.
- Inform any change in information for updation of KYC and obtain confirmation of updation in the system.
- Regularly verify balances and transaction/ demat statement and reconcile with trades /

transactions.

- Appoint nominee(s) to facilitate heirs.
- Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits.

Details of Investor Rights and Obligation on exchange websites is as below given in below links:

NSE – Investor Rights: https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Investor_Rights.pdf

Investor Obligation: https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Investor_Obligations.pdf

BSE – Investor Rights and Obligation:

https://www.bseindia.com/static/investors/Rights_Obligations_of_Investors.aspx

MCX – Investor Rights: https://www.mcxindia.com/docs/default-source/investor-grievance-arbitration/investors-charter/rights-of-the-investor.pdf?sfvrsn=8a083191_2

Investor Obligation: https://www.mcxindia.com/docs/default-source/investor-grievance-arbitration/investors-charter/obligations-of-the-investor.pdf?sfvrsn=99083191_2

GUIDANCE PERTAINING TO SPECIAL CIRCUMSTANCES RELATED TO MARKET ACTIVITIES: DEFAULT OF TRADING MEMBERS (TMs)

- (1) When a TMs defaults, the Exchange carries out the following steps for benefit of investor:
 - Dissemination on Exchange website with regard to default of the TM.
 - Issue of Public Notice informing declaration of default by a TM and inviting claims within specified period.
 - Intimation to clients of defaulter TMs via Emails and SMS for facilitating lodging of claims within specified period
- (2) Following information made available on Exchange Website for information of Investors
 - Norms for eligibility of claims for compensation from IPF.
 - FAQ on processing of investors' claims against defaulter TM.
 - Form for lodging claim against defaulter TM.
 - Standard Operating Procedure (SOP) for handling of Claims of Investors in the Cases of default by TMs
 - Provision to check online status of claims on Exchange Website.
 - Claim processing policy against Defaulter/Expelled TMs.
 - List of Defaulter/Expelled TMs and public notice issued.
- (3) Standard Operating Procedure (SOP) for Handling of Claims of Investors in the Cases of Default by TMs (excluding Commodity Derivatives Exchanges)

Sr. No.	Action	Timeline
1.	Disablement of the TM	T day
2.	Information to investors about disablement of the TM on website and through SMS and email	T+1 day

3.	Pre-filled forms to be sent to clients providing information regarding balances with the TM (only in case of SOP trigger)	T+15 days
4.	Claim lodgement Clients to fill the claim form and provide the supporting documents	T+ 75 days
5.	Declaration of Default by the TM	T+120 days
6.	Information to investors about default of TM on website, through SMS, email and newspapers.	Within 3 working days from the date of declaration of defaulter
7.	Processing, auditing, and settlement of claims	Within 60 days of receipt of the claim form from the clients post declaration of default and T+135 days where prefilled forms are received.
8.	Request for review of the claim by client	Within 90 days of receipt of intimation of the decision of the IPFT from the stock exchange
9.	Processing, auditing, and settlement of review claims	Within 60 days of receipt of review application.
10.	Request for 2 nd review of the claim by client	Within 90 days of receipt of intimation of the decision of the IPFT from the stock exchange
11.	Processing, auditing, and settlement of review claims	Within 60 days of receipt of review application.

DOs AND DON'T'S – ADVIOSRY FOR INVESTORS:

- a) Do's for Investing – Please refer to the links below:
 NSE: (https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Do%27s_of_Investing.pdf)
 BSE: (<https://www.bseindia.com/static/investors/invdosdonot.aspx>)
 MCX: (https://www.mcxindia.com/docs/default-source/investor-grievance-arbitration/investors-charter/do's-of-investing.pdf?sfvrsn=84083191_2)
- b) Do's for Grievance Redressal – Please refer to the links below:
 NSE: (https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Do%E2%80%99s_for_Grievance_Redressal.pdf)
 BSE: (<https://www.bseindia.com/static/investors/invdosdonot.aspx>)
 MCX: (https://www.mcxindia.com/docs/default-source/investor-grievance-arbitration/investors-charter/do's-for-grievance-redressal.pdf?sfvrsn=8f083191_2)
- c) Don'ts for Investing – Please refer to the links below:
 NSE: (https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Don%E2%80%99ts_of_Investing.pdf)
 BSE: (<https://www.bseindia.com/static/investors/invdosdonot.aspx>)
 MCX: (https://www.mcxindia.com/docs/default-source/investor-grievance-arbitration/investors-charter/do's-for-grievance-redressal.pdf?sfvrsn=8f083191_2)

CODE OF CONDUCT FOR STOCK EXCHANGES:

A Stock Exchange shall:

- (a) always abide by the provisions of the Act, Securities and Exchange Board of India Act 1992, any Rules or Regulations framed thereunder, circulars, guidelines and any other directions issued by the Board from time to time.
- (b) adopt appropriate due diligence measures.
- (c) take effective measures to ensure implementation of proper risk management framework and good governance practices.
- (d) take appropriate measures towards investor protection and education of investors.
- (e) treat all its applicants or members in a fair and transparent manner.
- (f) promptly inform the Board of violations of the provisions of the Act, Securities and Exchange Board of India Act 1992, rules, regulations, circulars, guidelines or any other directions by any of its members or issuer.
- (g) take a proactive and responsible attitude towards safeguarding the interests of investors, integrity of stock exchange's systems and the securities market.
- (h) endeavor for introduction of best business practices amongst itself and its members.
- (i) act in utmost good faith and shall avoid conflict of interest in the conduct of its functions.
- (j) not indulge in unfair competition, which is likely to harm the interests of any other Exchange, their participants or investors or is likely to place them in a disadvantageous position while competing for or executing any assignment.
- (k) segregate roles and responsibilities of key management personnel within the stock exchange including:
 - a. Clearly mapping legal and regulatory duties to the concerned position
 - b. Defining delegation of powers to each position
 - c. Assigning regulatory, risk management and compliance aspects to business and support teams
- (l) be responsible for the acts or omissions of its employees in respect of the conduct of its business.
- (m) monitor the compliance of the rules and regulations by the participants and shall further ensure that their conduct is in a manner that will safeguard the interest of investors and the securities market.