

DO'S & DONT'S WHILE DEALING WITH BROKERS & SUB-BROKERS

DO'S

Transact only through SEBI-recognized stock exchanges. Deal only through SEBI-registered brokers/sub-brokers/Authorise Person's. You may check their SEBI registration certificate number from the list available on the Stock exchanges www.nseindia.com/www.bseindia.com/www.mcx-sx.com and SEBI website www.sebi.gov.in.

- State clearly who will be placing orders on your behalf and give clear and unambiguous instructions to your broker/ sub-broker. Never give an open authority to broker/ sub-broker for placing trades on your behalf.
- Insist on client registration form to be signed by the broker before commencing operations. Enter into an agreement with your broker/ sub-broker setting out terms and conditions clearly. Ensure that you read the agreement and risk disclosure document carefully before signing.
- Make sure that you sign on all the pages of the agreement and ensure that the broker or an authorized representative, signs on all the pages of the agreement. Also the agreement should be signed by the witnesses by giving their name and address.
- Insist on a contract note for each transaction and verify details in the contract note, immediately on receipt. If in doubt, crosscheck details of your trade available with the details on the exchange's website.
- Insist on a bill for every settlement.
- Ensure that the broker's name, trade time and number, transaction price and brokerage are shown distinctly on the contract note.
- Insist on periodical statement of accounts.
- Issue cheques/drafts only in the trade name of the broker. Don't make any payment in cash to the stock broker /sub-broker.
- Ensure receipt of payment/ deliveries within 48 hours of payout.
- In case of disputes, file written complaint to intermediary/ stock exchange/SEBI within a reasonable time.
- Familiarize yourself with the rules, regulations and circulars issued by stock exchanges /SEBI. Keep track of your portfolio in your Demat account on a regular basis.
- Ensure that you have money before you buy. Ensure that you are holding securities before you sell.
- While dealing in derivatives segment: Be aware of the risk associated with your positions in the market/margin calls. Collect/pay mark to market margins on your futures position on a daily basis from/to TM.

DONT'S

- Don't deal with unregistered brokers / sub-brokers or other unregistered intermediaries.
- Don't execute any document with any intermediary without fully understanding its terms and conditions.
- Don't leave the custody of your Demat Transaction Slip book in the hands of any broker/sub-broker.
- Don't forgo obtaining all documents of transactions even if the broker/sub-broker is well known to you.

- Don't do any off market transaction or payment of funds to sub broker or authorized persons. All securities and fund transaction should be done only in the Broker's account.

DO'S & DON'T'S - PRIMARY MARKET

Do's

- Read the Prospectus/ Abridged Prospectus carefully, with special attention to:
 - Risk factors
 - Background of promoters
 - Company history
 - Outstanding litigations and defaults
 - Financial statements Object of the issue Basis of Issue price
 - Instructions for making an application
- In case of any doubts/problems, contact the compliance officer named in the offer document.
- In case you do not receive, within due period, the credit to demat account or refund of application money, lodge a complaint with the compliance officer of the issuer company and with the post-issue lead manager.

DONT'S

- Don't be influenced by any implicit/explicit promise made by the issuer or anyone else.
- Don't invest only based on the prevailing bull run of the market index or of scrips of other companies in the same industry or scrips of the issuer company/group companies.
- Don't expect the price of the shares of the issuer company to necessarily go up upon listing, and forever.

DO'S & DONT'S - SECONDARY MARKET

(In addition to Do's & Don'ts While Dealing With Brokers, Sub-Brokers & Authorized Person)

Here are some Do's and Don'ts with reference to trading:-

DO'S

- Give clear and unambiguous instructions to the dealer while placing orders over the phone All order instructions should be given verbally over recorded phone lines or in writing.
- Please ensure all transactions are undertaken securely online or payments are made to our designated NSBL account only.
- You will be solely responsible for all transactions effected from internet trading. Therefore, change your password on a periodic basis
- For every trade executed, go through the duly signed Contract Note, Bills, Daily Margin Statements from your Stock Broker and verify information like - details of the trade, trade time and number, transaction price, brokerage, your unique client-Id and Stock Broker's name.
- Be aware of the risk associated with the asset classes you are trading in the market and margin calls on them. In case of inadequate margin or non-payment of margin in your account, your positions will be squared off by the Risk Management team.

- Maintain adequate margins at all points of time. In case of margin shortfall or delay in payments, your outstanding position will be squared up.
- In addition to the above, please ensure that your key KYC information such as correspondence address, email address, mobile number, Aadhaar number, bank account details, latest income details, etc. are updated in our records at all times. This is to be done as per regulatory norms and also it will enable us to serve you better. Please also be aware of spam SMS, Email alerts and Calls from fraudsters and do not share your account details with anyone.

DONT'S

- Don't forget to take account of the potential risks that are involved in any investment. Don't fall prey to promises of unrealistic returns or guaranteed returns.
- Don't invest on the basis of hearsays, rumours and tips.
- Don't be influenced into buying into fundamentally unsound companies (penny stocks) based on sudden spurts in trading volumes or prices or favorable articles/stories in the media.
- Don't follow the herd and don't play on momentum.
- Don't blindly follow investment advice given on TV channels/websites/SMS.
- Don't invest under peer pressure or blindly imitate investment decisions of others who may have profited from their investment decisions.
- Don't get misled by companies showing approvals / registrations from Government agencies as the approvals could be for certain other purposes.
- Don't get carried away with advertisements about the financial performance of companies.
- Don't get misled by guarantees of repayment of your investments (and returns) through post-dated cheques.
- Don't give signed blank DIS to your DPor to your broker.
- In any circumstance, do not reveal your login credentials to any other person, not even an Nirman representative.

If you have any further questions or need clarification, please don't hesitate to reach out to us. You can call us on 0755-4311111 or write to us at nirman@nirmanbroking.com.

Warm regards,

Team Nirman