

**CODE OF CONDUCT
FOR
BROKERS & SUB-BROKERS
OF
INTER-CONNECTED
STOCK EXCHANGE OF INDIA LTD.
(ISE)**

Code of Conduct for Brokers & Sub-brokers of ISE

Preamble:

Code of conduct is a set of rules outlining the responsibilities and proper practices to be followed. Every Broker & Sub-broker has to adhere to the code of conduct at all time being a member of Exchange as per the Rules, Regulations & Bye-Laws of ISE and SEBI.

Who is a Stock Broker?

“Stock broker” means a Trading Member of a stock exchange and registered with SEBI as such under the SEBI (Stock Broker and Sub-brokers) Regulation, 1992. It includes erstwhile Trader or Dealer of ISE.

Who is a Sub-broker?

“Sub-broker” means any person not being a member of a stock exchange who is registered with SEBI as “Sub-broker” and who acts on behalf of a stock-broker an agent or otherwise for assisting the investors in buying, selling or dealing in securities through such stock-brokers.

Code of Conduct for Stock Brokers

1. As per Rule 15 of Securities Contract (Regulation) Rules, 1957, Books of account and other documents to be maintained and preserved by every member of a recognized stock exchange as :-

- (1) Every member of a recognised stock exchange shall maintain and preserve the following books of account and documents for a period of five years:
 - (a) Register of transactions (*Sauda* book).
 - (b) Clients' ledger.
 - (c) General ledger.
 - (d) Journals.
 - (e) Cash book.
 - (f) Bank pass-book.
 - (g) Documents register showing full particulars of shares and securities received and delivered.
- (2) Every member of a recognised stock exchange shall maintain and preserve the following documents for a period of two years:
 - (a) Member's contract books showing details of all contracts entered into by him with other members of the same exchange or counterfoils or duplicates of memos of confirmation issued to such other members.
 - (b) Counterfoils or duplicates of contract notes issued to clients.
 - (c) Written consent of clients in respect of contracts entered into as principals.

2. As per regulation 16(h) of Securities and Stock Exchange Board of India (Stock Brokers and Sub- brokers) Regulation, 1992

- (1) The code of conduct specified for the stock brokers as stipulated in Schedule II, shall be applicable *mutatis mutandis* to the trading member, and such members shall at all times abide by the same.
- (2) The trading member shall abide by the code of conduct as specified in the Rules, Bye-laws and Regulations of the derivatives exchange or derivatives segment of the exchange.
- (3) The trading members shall obtain details of the prospective clients in 'know your client' format as specified by the Board before executing an order on behalf of such client.
- (4) The trading member shall mandatorily furnish 'risk disclosure document' disclosing the risk inherent in trading in derivatives to the prospective clients in the form specified by the derivatives exchange or derivatives segment.

- (5) The trading shall deposit margin or any other deposit and shall maintain position or exposure limit as specified by the Board or the concerned exchange or segment or clearing corporation or clearing house from time to time.

3. **As per regulation 7 of Securities and Stock Exchange Board of India (Stock Brokers and Sub- brokers) Regulation, 1992, Stock brokers are abide by the code of conduct.**

A. General:

- (1) **Integrity:** A stock-broker, shall maintain high standards of integrity, promptitude and fairness in the conduct of all his business.
- (2) **Exercise of due skill and care:** A stock-broker shall act with due skill, care and diligence in the conduct of all his business.
- (3) **Manipulation:** A stock-broker shall not indulge in manipulative or deceptive transactions or schemes or spread rumors with a view to distorting market equilibrium or making personal gains.
- (4) **Malpractices:** A stock-broker shall not create false market either singly or in concert with others or indulge in any act detrimental to the investor's interest or which leads to interference with the fair and smooth functioning of the market. A stockbroker shall not involve himself in excessive speculative business in the market beyond reasonable levels not commensurate with his financial soundness.
- (5) **Compliance with statutory requirements:** A stock-broker shall abide by all the provisions of the Act and the rules, regulations issued by the Government, the Board and the Stock Exchange from time to time as may be applicable to him.

B. Duty to the Investor:

- (1) **Execution of Orders:** A stock-broker, in his dealings with the clients and the general investing public, shall faithfully execute the orders for buying and selling of securities at the best available market price and not refuse to deal with a Small Investor merely on the ground of the volume of business involved. A stock-broker shall promptly inform his client about the execution or non-execution of an order, and make prompt payment in respect of securities sold and arrange for prompt delivery of securities purchased by clients.
- (2) **Issue of Contract Note:** A stock-broker shall issue without delay to his client [or client of the sub-broker, as the case may be] a contract note for all transactions in the form specified by the stock exchange.

- (3) **Breach of Trust:** A stock-broker shall not disclose or discuss with any other person or make improper use of the details of personal investments and other information of a confidential nature of the client which he comes to know in his business relationship.
- (4) **Business and Commission:**
- (a) A stock-broker shall not encourage sales or purchases of securities with the sole object of generating brokerage or commission.
 - (b) A stock-broker shall not furnish false or misleading quotations or give any other false or misleading advice or information to the clients with a view of inducing him to do business in particular securities and enabling himself to earn brokerage or commission thereby.
- (5) **Business of Defaulting Clients:** A stock-broker shall not deal or transact business knowingly, directly or indirectly or execute an order for a client who has failed to carry out his commitments in relation to securities with another stock-broker.
- (6) **Fairness to Clients:** A stock-broker, when dealing with a client, shall disclose whether he is acting as a principal or as an agent and shall ensure at the same time that no conflict of interest arises between him and the client. In the event of a conflict of interest, he shall inform the client accordingly and shall not seek to gain a direct or indirect personal advantage from the situation and shall not consider clients' interest inferior to his own.
- (7) **Investment Advice:** A stock-broker shall not make a recommendation to any client who might be expected to rely thereon to acquire, dispose of, retain any securities unless he has reasonable grounds for believing that the recommendation is suitable for such a client upon the basis of the facts, if disclosed by such a client as to his own security holdings, financial situation and objectives of such investment. The stock-broker should seek such information from clients, whenever he feels it is appropriate to do so.
- (7A) **Investment advice in publicly accessible media—**
- (a) A stock broker or any of his employees shall not render, directly or indirectly, any investment advice about any security in the publicly accessible media, whether real-time or non-real-time, unless a disclosure of his interest including the interest of his dependent family members and the employer including their long or short position in the said security has been made, while rendering such advice.

(b) In case an employee of the stock broker is rendering such advice, he shall also disclose the interest of his dependent family members and the employer including their long or short position in the said security, while rendering such advice.

(8) **Competence of Stock-Broker:** A stock-broker should have adequately trained staff and arrangements to render fair, prompt and competence services to his clients.

C. Stock-Brokers vis-à-vis Other Stock-Brokers:

(1) **Conduct of Dealings:** A stock-broker shall co-operate with the other contracting party in comparing unmatched transactions. A stock-broker shall not knowingly and willfully deliver documents which constitute bad delivery and shall co-operate with other contracting party for prompt replacement of documents which are declared as bad delivery.

(2) **Protection of Clients Interests:** A stock-broker shall extend fullest co-operation to other stock-brokers in protecting the interests of his clients regarding their rights to dividends, bonus shares, right shares and any other right related to such securities.

(3) **Transactions with Stock-Brokers:** A stock-broker shall carry out his transactions with other stock-brokers and shall comply with his obligations in completing the settlement of transactions with them.

(4) **Advertisement and Publicity:** A stock-broker shall not advertise his business publicly unless permitted by the stock exchange.

(5) **Inducement of Clients:** A stock-broker shall not resort to unfair means of inducing clients from other stock-brokers.

(6) **False or Misleading Returns:** A stock-broker shall not neglect or fail or refuse to submit the required returns and not make any false or misleading statement on any returns required to be submitted to the Board and the stock exchange.

D.

(1) A stock broker shall enter into an agreement as specified by the Board with his client.

(2) A stock broker shall also enter into an agreement as specified by the Board with the client of the sub-broker.

Code of Conduct for Sub- Brokers

A. General:

- (1) **Integrity:** A sub-broker shall maintain high standards of integrity, promptitude and fairness in the conduct of all investment business.
- (2) **Exercise of due Skill and Care:** A sub-broker shall act with due skill, care and diligence in the conduct of all investment business.

B. Duty to the Investor:

- (1) **Execution of Orders:** A sub-broker, in his dealings with the clients and the general investing public, shall faithfully execute the orders for buying and selling of securities at the best available market price. A sub-broker shall promptly inform his client about the execution or non-execution of an order.
- (2) A sub-broker shall render necessary assistance to his client in obtaining the contract note from the stock-broker.
- (3) **Breach of Trust:** A sub-broker shall not disclose or discuss with any other person or make improper use of the details of personal investments and other information of a confidential nature of the client which he comes to know in his business relationship.
- (4) **Business and Commission:**
 - (a) A sub-broker shall not encourage sales or purchases of securities with the sole object of generating brokerage or commission.
 - (b) A sub-broker shall not furnish false or misleading quotations or give any other false or misleading advice or information to the clients with a view of inducing him to do business in particular securities and enabling himself to earn brokerage or commission thereby.
 - (c) A sub-broker shall not charge from his clients a commission exceeding one and one-half of one per cent of the value mentioned in the respective sale or purchase notes.
- (5) **Business of Defaulting Clients:** A sub-broker shall not deal or transact business knowingly, directly or indirectly or execute an order for a client who has failed to carry out his commitments in relation to securities and is in default with another broker or sub-broker.

- (6) **Fairness to Clients:** A sub-broker, when dealing with a client, shall disclose that he is acting as an agent ensuring at the same time, that no conflict of interest arises between him and the client. In the event of a conflict of interest, he shall inform the client accordingly and shall not seek to gain a direct or indirect personal advantage from the situation and shall not consider clients' interest inferior to his own.
- (7) **Investment Advice:** A sub-broker shall not make a recommendation to any client who might be expected to rely thereon to acquire, dispose of, retain any securities unless he has reasonable grounds for believing that the recommendation is suitable for such a client upon the basis of the facts, if disclosed by such a client as to his own security holdings, financial situation and objectives of such investment. The sub-broker should seek such information from clients, wherever they feel it is appropriate to do so.
- (7A) **Investment advice in publicly accessible media-**
- (a) A sub-broker or any of his employees shall not render, directly and indirectly any investment advice about any security in the publicly accessible media, whether real-time or non-real-time, unless a disclosure of his interest including his long or short position in the said security has been made, while rendering such advice.
 - (b) In case an employee of the sub-broker is rendering such advice, he shall also disclose the interest of his dependent family members and the employer including their long or short position in the said security, while rendering such advice.
- (8) **Competence of Sub-broker:** A sub-broker should have adequately trained staff and arrangements to render fair, prompt and competence services to his clients and continuous compliance with the regulatory system.

C. Sub-brokers vis-a-vis Stock Brokers.

- (1) **Conduct of Dealings:** A sub-broker shall co-operate with his broker in comparing unmatched transactions. Sub-broker shall not knowingly and willfully deliver documents which constitute bad delivery. A sub-broker shall co-operate with other contracting party for prompt replacement of documents which are declared as bad delivery.
- (2) **Protection of Clients Interests:** A sub-broker shall extend fullest co-operation to his stock-broker in protecting the interests of their clients regarding their rights to dividends, right or bonus shares, or any other rights relatable to such securities.

- (3) **Transactions with Brokers:** A sub-broker shall not fail to carry out his stock broking transactions with his broker nor shall he fail to meet his business liabilities or show negligence in completing the settlement of transactions with them.
- (4) **Agreement between sub-broker, client of the sub-broker and main broker:** A sub-broker shall enter into a tripartite agreement with his client and with the main stock broker specifying the scope of rights and obligations of the stock broker, sub-broker and such client of the sub-broker.
- (5) **Advertisement and Publicity:** A stock-broker shall not advertise his business publicly unless permitted by the stock exchange.
- (6) **Inducement of Clients:** A stock-broker shall not resort to unfair means of inducing clients from other brokers.

D. Sub-Brokers vis-a-vis Regulatory Authorities:

- (1) **General Conduct:** A sub-broker shall not indulge in dishonourable, disgraceful or disorderly or improper conduct on the stock exchange nor shall he willfully obstruct the business of the stock exchange. He shall comply with the rules, bye-laws and regulations of the stock exchange.
- (2) **Failure to give Information:** A sub-broker shall not neglect or fail or refuse to submit to the Board or the stock exchange with which he is registered, such books, special returns, correspondence, documents, and papers or any part thereof as may be required.
- (3) **False or Misleading Returns:** A sub-broker shall not neglect or fail or refuse to submit the required returns and not make any false or misleading statement on any returns required to be submitted to the Board or the stock exchanges.
- (4) **Manipulation:** A sub-broker shall not indulge in manipulative, fraudulent or deceptive transactions or schemes or spread rumours with a view to distorting market equilibrium or making personal gains.
- (5) **Malpractices:** A sub-broker shall not create a false market either singly or in concert with others or indulge in any act detrimental to the public interest or which leads to interference with the fair and smooth functions of the market mechanism of the stock exchanges. A sub-broker shall not involve himself in excessive speculative business in the market beyond reasonable levels not commensurate with his financial soundness.

Statutory Compliances

As part of the statutory compliance required under SEBI (Stock Brokers and Sub-brokers) Regulations, 1992, Rules, Regulations and Bye-laws of ISE, all Trading Members are required to submit the following documents as per the prescribed formats:

- (1) Networth Certificate **(Annex-A)** along with networth computation table **(Annex-B)** duly certified by a Chartered Accountant. Please note that all Trading Members need to maintain following minimum Networth requirements at all times:

Individuals	:	Rs.4 lakh
Partnership Firms	:	Rs.8 lakh
Corporates	:	Rs.10 lakh

- (2) Details of Compliance officer **(Annex-C)**
(3) Details of Proprietor/Partners/Directors **(Annex-D)**
(4) Details of Membership of Other Stock Exchange(s) **(Annex-E)**
(5) Audited Annual Report
(i) Auditors Report **(Annex-F)**
(ii) Profit & Loss Account
(iii) Balance Sheet
(iv) Directors Report*
(6) Shareholding Pattern* **(Annex-G)**
(7) Dominant Shareholding Pattern* **(Annex-H)**
(8) Undertaking from spouse of dominant shareholder* **(Annex-I)**
(9) Turnover certificate **(Annex-J)** with SEBI Fees computation Table **(Annex-K)**
(10) Sharing Pattern (for Partnership Firm) **(Annex-L)**
(11) Details of dominant groups (for Partnership Firm) **(Annex-M)**
(12) System Audit Report #
(13) Internal Audit Report

* Individual Trading Members may please ignore

#

Note:-

All the above documents are needed to be submitted on an annual basis except the Networth Certificate & Computation table And Internal Audit Report which are needed to be submitted half yearly within 3 months from the end of the respective half year.

CHECKLIST
(To be forwarded along with the covering letter
enclosing the statutory documents)

Code No. of Trading Member : _____

Name of the Trading Member : _____

Trade Name of the Trading Member : _____

SEBI Registration No. : _____

SEBI Registration Date : _____

Statutory Documents for the Financial Year : 20__ - __

Statutory Documents for the year ending : March 31, 20__

Sr. No.	Document Title	Enclosed (Yes/No//NA)
1	Networth Certificate along with computation	
2	Details of Compliance officer	
3	Details of Proprietor/Partners/Directors	
4	Details of Membership of Other Stock Exchange(s)	
5	Audited Annual Report (which includes Profit & Loss Account, Balance Sheet, Directors Report and Auditors Report)	
6	Shareholding Pattern	
7	Dominant Shareholding Pattern	
8	Undertaking from spouse of dominant shareholder	
9	Turnover Certificate	
10	Internal Audit Report	
11	Email address (other than ISE email id.)	
12	SEBI Registration Certificate Photocopy	

NETWORTH CERTIFICATE
(For Individual/Partnership Firms/Corporates)

This is to certify that the Networth of _____(TRADE NAME/FIRM NAME/COMPANY NAME) as on March 31st/September 30th, 20__ as per the statement of computation of even date annexed to this report is Rs.____/- (in figures) [Rupees _____ only (in words)].

_____ (TRADE NAME/FIRM NAME/COMPANY NAME) is also a member of _____ [name(s) of the stock exchange], wherein the Networth requirement(s) is/are as given below:

S. No.	Name of the stock exchange(s)	Networth requirements (Rs.)

_____ (TRADE NAME/FIRM NAME/COMPANY NAME), as required by SEBI under the multiple membership criteria, satisfies the Networth requirement of ISE and each of the Exchange(s) as stated above separately.

We also certify that _____ (TRADE NAME/FIRM NAME/COMPANY NAME) is not engaged in any fund-based activities or business other than that of securities. Existing fund based assets, if any, have been divested from the books of account and have not been included for the purpose of calculation of Networth.

It is further certified that the computation of Networth based on my/our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

For (Name of Accounting Firm)

STAMP OF AUDITOR

Name of Partner
Chartered Accountant
Membership Number

(Annex-B)

**STATEMENT OF COMPUTATION OF NETWORTH OF _____ (TRADE NAME/
FIRM NAME/ COMPANY NAME) AS ON MARCH 31, 20__ / SEPTEMBER 30, 20__**

Particulars	Rs.	Rs.
1. Capital (Paid-up)		*****
2. Free Reserves (excluding revaluation reserve)		*****
3. Market Value of securities forming part of the Balance Sheet		*****
Less: Book Value of these securities	*****	*****
4. SUB-TOTAL (Items 1+2+3)		*****
<u>Less:</u>		
5. Miscellaneous Expenditure		*****
6. Deferred Expenditure		*****
7. Accumulated Losses		*****
8. SUB-TOTAL (Items 5+6+7)		*****
9. TOTAL "A" [Item 4(-) Item 8]		*****
<u>Less: Non-Allowable Assets</u>		
10. Value of Membership Card/Trading Right (exchange card), if included as an asset		*****
11. Market Value of pledged securities to the extent of actual borrowings		*****
12. Value of securities not listed on any Exchange		*****
13. Doubtful Debts/Advances not provided for		*****
14. Intangible assets like goodwill, etc.		*****
15. 30% of the Market Value of Securities		*****
16. 10% of the Value of Government Securities		*****
17. All dues which are older than 3 months & advances given to associates		*****
18. Fixed Assets (not used for the purpose of business) including land and building		*****
19. TOTAL "B" (Items 10 to 18)		*****
20. NETWORTH ["A" (-) "B"]		*****

Notes:

- i Negative networth should be preceded by a (-) sign, i.e. minus sign.
- ii In case of proprietorship firms, capital means Net Balances in Proprietor Capital Account (Fixed + Current Capital account)
- iii In case of corporate applicants, capital means paid-up capital (equity + preference). However, if preference capital is repayable within a period of one year, then it should be excluded.
- iv In case of Partnership Firms, capital means the total contributed by each partner.
- v Market value of securities should be taken as of the date of networth certificate or the latest market value available before the date of certificate.
- vi Investment in securities of unlisted (unquoted) companies should not be considered at Item No.3 above.
- vii Contingent liabilities should be mentioned by way of note, specifying the amount and nature of liability.
- viii Any unpaid statutory liability, government dues, taxes, etc. in dispute or in appeal or not provided for should also be mentioned by way of note, giving full details such as amount and nature thereof.
- ix In case of borrowings, the details of installments overdue towards principal and interest should also be given by way of a note.
- x The word "advances" at 17 above should include loans/advances given to related entities, sister concerns, firms/companies in which the applicants are interested directly or indirectly and should be included in Item 17 above, even though the same are less than three months old.
- xi The amount of debtors arising from securities operations and others should be shown separately by way of a note.
- xii Miscellaneous expenditure and deferred expenditure means expenditure capitalised and to the extent not written off or adjusted as on the date of the Networth Certificate.
- xiii Chartered Account certifying the networth certificate should give suitable notes explaining the various assumptions he has made and deviations made (if any), from the above guidelines/notes.
- xiv Any other information, which to the knowledge of the Chartered Accountant will materially affect the networth of the applicant, should also be mentioned by way of a suitable note to the Certificate.
- xv All the notes, workings, statement of computation of networth annexed to the Certificate should be signed by the Chartered Accountant with seal.

(Annex-C)

TO WHOMSOEVER IT MAY CONCERN

This is to inform you that we have appointed Shri/ Ms. _____ as the Compliance Officer in terms of Regulation 18A of the SEBI (Stock Brokers and Sub – brokers) Regulations, 1992 with effect from _____ (date).

Additional information as required by you is provided below:

Name of the Compliance Officer	Father's Name	Residential Address/ Telephone No(s)/ Mobile No.	Qualification (s)	Previous employment (name of the organisation)

We undertake to intimate and update the Exchange as and when there is any change in the aforesaid information.

Thanking you,

Yours faithfully,

For _____ (Name of Trading Member)

Proprietor/Partner/Director

Countersigned by the Compliance Officer

Name

Notes:

- (1) In case of an Individual Dealer – Compliance Officer can be the individual himself or any employee.
- (2) In case of a Partnership Firm/Corporate Dealer – Compliance Officer can be any Partner/Director or employee of the Trading Member.
- (3) Only one Compliance Officer can be appointed.

DETAILS OF PROPRIETOR/PARTNERS/DIRECTORS
AS ON _____

Sr. No.	Name	Designation	PAN No.	Experience (in years)	Qualification	Shareholding % of total	Date of Birth	Residence Address/ Tel. No./ Mobile No.	Father's Name	Directorships/ Controlling Shareholding in other companies
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(9)	(8)	(10)
1										
2										
3										
4										
5										

Name of two Designated Directors from above :

1. _____
 2. _____

NOTES:

- (1) Columns (2) & (5) are not application in case of Proprietors
- (2) Designation – Please specify whether the Director is a Managing Director or Whole-time Director or Executive Director or Non-Executive Director or Executive Chairman or Non-Executive Chairman
- (3) Experience – Please enter no. of years experience in securities market
- (4) Designated Directors – Mention the name of Designated Directors as approved by the Screening Committee of ISE.

Date:

Place:

Authorised Signatory/Partner(s)/Director(s)

CERTIFICATE (for corporates only)

This is to certify that the shareholding in _____ (Trade Name of Trading Member) as given above, based on my/our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

For (Name of Accounting Firm)

Date:

Name of Partner/Proprietor
 Chartered Accountant
 Membership Number

(Annex-E)

**Details of other Stock Exchange memberships
held by the Traders/Dealer in same name
or in the name of holding company, subsidiary company, promoters, directors &
partners**

as on _____

Sr. No	Name	Relation	Stock Exchange Name	SEBI Registration No.	SEBI Registration Date	Remarks
1						
2						
3						
4						
5						

Date:

Place:

Authorised Signatory / Partner(s) / Director(s)

NOTES:

- (1) If not a member of any Stock Exchange, please mention 'Not Applicable' in the first row**
- (2) Relation - Provide details, for example, Self (for membership in the name of the company, firm), Partner, Chairman, Whole time director, holding subsidiary.**

Auditor's Report

The auditor should submit his report in the following format:-

We have audited the attached balance sheet of M/sas at and the profit and loss account for the year ended on that date annexed thereto and report that ;

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account and records as specified in rule 15 of the Securities Contracts (Regulation) Rules, 1957, have been kept so far as appeared from our examination of such books.
- c. The stock broker has complied with the requirements of stock exchange so far as they relate to maintenance of accounts and was regular in submitting the required accounting information to the stock exchange.
- d. The balance sheet and the profit and loss account referred to in this report are in agreement with the books of account.
- e. In our opinion and to the best of our information and according to the explanation given to us, the said balance sheet and the profit and loss account read together with the notes thereon give a true and fair view insofar as it relates to the balance sheet, of the state of affairs of M/s, and insofar as it related to the profit and loss account, of the profit of M/s for the year ended on that date.

Date:

For,
Chartered Accountants

Place:

Membership No.

Note:

Note: *Kindly enclose Balance sheet and profit & loss account duly certified by the C.A. in original for the year ended 31st March / 30th September 200__.*

(Annex-G)

Shareholding Pattern (For Corporates)

Shareholding Pattern of _____ (name of Dealer/Trader)
as on _____

EQUITY / PREFERENCE (Please indicate and use separate sheets for equity/preference shares)

Sr. No.	Name	Number of shares held	Face value per share	Amount Paid up (Rs. in lakh)	% of total
1					
2					
3					
4					
5					
6					
7					
8					
Others					
TOTAL					100.00

NOTES:

1. In case of all corporate shareholders of the Trading Member, the details of their shareholding shall also be furnished in the same format as given above
2. In case of HUF, give names of Karta and co-parceners.
3. Persons holding 2% or more of the paid up capital should be shown separately and not clubbed in others.

Date:

Place:

Authorized Signatory / Partner(s) / Director(s)

CERTIFICATE

This is to certify that the shareholding in _____ (Trade Name of Trading Member) as given above, based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner/Proprietor
Chartered Accountant
Membership Number

Details of Dominant Group (For Corporates)

Dominant Group of _____ (name of Dealer/Trader)
as on _____

EQUITY / PREFERENCE (Please indicate and use separate sheets for equity/preference shares)

Sr. No.	Name of dominant shareholder	Person (s) supporting dominant shareholder	Relation	No. of shares held	Total Amt paid up	% of Total		% of Total
						Self	Relatives	
1	A							
		A1						
		A2						
2	B							
		B1						
		B2						
3	C							
TOTAL								

Notes:

- (1) Relation – Please mention the relationship of the person supporting the dominant shareholder.
- (2) For each person mentioned in the relation column, submit the undertaking as per the prescribed format.

Date:

Place:

Authorised Signatory/Partner(s)/Director(s)

CERTIFICATE

This is to certify that the shareholding in _____ (Trade Name of Trading Member), based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner/Proprietor
Chartered Accountant
Membership Number

UNDERTAKING FROM SPOUSE OF DOMINANT SHAREHOLDER

I, Mr. / Ms. / Mrs. _____, son/wife of Mr. _____, resident of _____ am the absolute owner of _____ (no.) of shares of Rs. ____ each, Rs. _____ per share paid up, which constitutes _____ % of the total paid up capital of M/s _____ as on this date.

I state that I shall irrevocably and unconditionally support Mr. / Mrs. _____ in respect of my shareholding, a shareholder in the above mentioned company. I further state that I have no objection to my above mentioned shareholding being clubbed with the shareholding of Mr. / Mrs. _____, who is my husband / wife (*strike off what is not applicable*) for the purpose of determining the dominant shareholder of the said company.

This support is irrevocable and I also undertake to give prior information to the National Stock Exchange of India Limited and the member with whom the said company is affiliated as an Authorised Person before selling or otherwise transferring any part or whole of my above mentioned shareholding.

WITNESS BY:

Signature :
Name :
Address :

Date :

SIGNATURE

Name :
Place :

Date :

CERTIFICATE

This is to certify that the Shareholding in _____ (Trade Name of Trading Member) as given above, based on my / our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my / our satisfaction.

Place:
Date:

For (Name of Accounting Firm)

Name of the Partner
Chartered Accountant
Membership Number

AUDITORS CERTIFICATE FOR REPORTING TURNOVER

Member's Name : _____

Member's Trade Name : _____

Member's SEBI Registration Number
(as appearing on the SEBI Registration certificate) : _____

Name of the Stock Exchange : _____

TURNOVER TABLE

Financial Year	Jobbing turnover (sale side), if any	Jobbing turnover (purchase side), if any	PSU bonds/ Govt. securities turnover (two-side), if any	Other debt market turnover (two-side), if any	*Carry-forward turnover, if any	Carry-forward off-setting entry turnover, if any {to be given only if included in (6)}	Off-market turnover (two-side), if any	Other turnover (two-side)	Total turnover
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)=(2)+(3)+(4)+(5)+(6)-(7)+(8)+(9)
	Rs. crore	Rs. crore	Rs. crore	Rs. crore	Rs. crore	Rs. crore	Rs. crore	Rs. crore	Rs. crore
2005-06									
2006-07									
2007-08									
2008-09									
2009-10									

*Carry forward turnover shall include carry forward, renewal, badla, ALBM and BLESS transactions.

FEES COMPUTATION TABLE

Financial Year	Fees on Jobbing turnover, if any	Fees on PSU bonds/ Govt. securities turnover, if any	Fees on Other debt market turnover, if any	Fees on Carry-forward turnover less off-setting entries (if included), if any	Fees on Off-market turnover, if any	Fees on Other turnover turnover, if any	Fees payable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(1)+(2)+(3)+(4)+(5)+(6)+(7)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2005-06							
2006-07							
2007-08							
2008-09							
2009-10							
						Total Fees Payable Rs.	
						Less Fees Paid Rs	
						Balance Fees Payable Rs.	
						Interest Payable Rs.	
						Interest Paid Rs.	
						Balance Interest Rs.	

Certification by Auditor should also include the following confirmation: -

That the break up into various components of the total turnover is in conformity with Schedule III of SEBI (Stock Brokers and Sub-Brokers) Regulations 1992 as amended on February 20, 2002 and, further, jobbing transactions reported, are in conformity with Paragraph (1), clause (bb) of Schedule III of SEBI (Stock Brokers and Sub-Brokers) Regulations 1992 as amended on February 20, 2002, i.e. transactions that are reported as jobbing have been squared off during the same day and that such transactions have not been undertaken by the broker on behalf of clients.

- # The turnover shown under PSU bonds/Government Securities category is in conformity with circular dated September 30, 2002 issued by SEBI on bonds issued by Public Sector Undertaking eligible for concessional rate of fees.
- # The clause to be inserted, if applicable

(Annex-L)

Sharing Pattern (For Partnership Firms)

Sharing Pattern of _____ (name of Dealer/Trader)
as on _____

Sr. No.	Name of Partner	Capital in the firm (Rs.)	Sharing pattern in Profits & Losses* (%)
1			
2			
3			
TOTAL			100.00

Date:

Place:

Authorised Signatory/Partner(s)/Director(s)

CERTIFICATE

This is to certify that the capital and sharing pattern in _____ (Trade Name of Trading Member) as given above, based on my/ our scrutiny of the books of accounts, records and documents are true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner/Proprietor
Chartered Accountant
Membership Number

Details of Dominant Group (For Partnership Firms)

Dominant Group of _____ (name of Dealer/Trader)

as on _____

Sr. No.	Name of dominant partner(s)	Sharing pattern in Profits & Losses (%)
1		
	TOTAL	

Date:

Place:

Authorised Signatory/Partner(s)/Director(s)

CERTIFICATE

This is to certify that the sharing pattern in _____ (Trade Name of Trading Member) as given above, based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner/Proprietor
Chartered Accountant
Membership Number