

INVESTOR ALERT!



Are you dealing with a person who does trading in securities outside the trading system of the exchange?

Certain unprincipled elements reportedly arrange trading in shares outside the established trading system of recognized stock exchanges. Apparently, they take share prices disseminated on-line by major exchanges like NSE as reference prices and they keep the accounts for such trades and their settlement unofficial, mostly on cash basis. These activities may even be combined with unofficial carry forward mechanism.

If any trading member of NSE or its registered sub-broker carries out such activities, it is committing a serious violation of the Rules, Byelaws and Regulations of NSE for which disciplinary action will be taken by NSE.

Why do you need to protect yourself against illegal trading?

The mechanisms that an investor follows for investment through the markets are of concern to us. Investors taking part in trading arrangements outside the Exchange trading mechanisms, do not get access to the dispute resolution and arbitration facilities as also the Investor Protection Fund of NSE, in respect of any dispute.



Invest Right, Invest Safely & Know Your Facts Well



- Buy and sell securities only through SEBI registered brokers or their registered sub-brokers. They are required to display their SEBI registration certificate at every location from where they extend trading facilities.
- Execute Member Constituent Agreement and procure a signed copy of the same from your broker.
- Ensure that you receive a contract note from your broker, duly filled up and signed, within 24 hours of the transaction. You may also cross-check the genuineness of the transaction on NSE through the trade verification facility on NSE website at www.nseindia.com/content/equities/eq_trdverify.htm. This information is available up to 5 working days from the trade date.
- Ensure that you receive your money/shares within the next working day of the NSE scheduled pay out date for respective settlement.
- Deliver/receive your shares only to/from your SEBI registered broker.
- Make and receive all payments in respect of margins and settlement obligations only by way of account payee cheque/demand draft, to/from your SEBI registered broker.



These guidelines are for your benefit. Act on it.



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Please visit our website: www.nseindia.com Issued in public interest by NSE.