

Date:

To,  
Kunvarji Finstock Pvt Ltd.  
Ahmedabad-380051.

Dear Sir / Madam,

Sub: KYC Client Code \_\_\_\_\_ - Segment addition request

1. I/We \_\_\_\_\_ are registered with you as a client and wish to modify/add Trading Preference mentioned by me/us in the KYC forms submitted to you at the time of my enrolment or at any time thereafter.

2. I/We wish to Trade in:-

Exchange	Segment	Signature
Bombay Stock Exchange Ltd	CASH	
Bombay Stock Exchange Ltd	F &O	
Bombay Stock Exchange Ltd	Currency Derivatives	
Bombay Stock Exchange Ltd	Commodity	
National Stock Exchange Ltd	CASH	
National Stock Exchange Ltd	F&O	
National Stock Exchange Ltd	Currency Derivatives	
National Stock Exchange Ltd	SLB	
National Stock Exchange Ltd	Commodity	
Multi Commodity Exchange Ltd	Commodity Derivatives	
National Commodity & Derivatives Exchange Ltd	Commodity Derivatives	

3. This letter is in addition to the authorization/preference given earlier by me/us to you modifying my trading preference.

4. I/We understand that the brokerage charged to me in the new segment/ new exchange respective segment is specified

Equity	1st Leg		2nd Leg	
	%age	Min.	%age	Min.
Trading				
Delivery				
Equity Futures				
Equity Option				
Currency Futures				
Currency option				

Commodity	1st Leg		2nd Leg	
	%age	Min.	%age	Min.
Futures				
Options				
<b>SLBM</b>	<b>1st Leg</b>		<b>2nd Leg</b>	<b>Min.</b>
Lending	% of lending fees			
Borrowing	% of Borrowing Fees			

- Taxes and transaction charges shall be levied at actual
- Currently stamp duty is not applicable on Stock Lending & Borrowing transactions. In case any Authority imposes such levy, the same will also be charged at actual.

5. With reference to my/our Trading Account with Kunvarji Finstock Pvt Ltd and the Power of Attorney granted by me/us to you authorizing you to withdraw securities from my/our demat account to meet my/our pay-in/settlement or margin obligations, we confirm having been informed that following accounts are added to the list of your designated account mentioned in the POA.

Sr No.	Demat Account Number	Account Category	EXCHANGE & SEGMENT	Transfer for the purpose of
1	120484000000881	CDSL Pool Account	BSE CASH	Pay-in
2	120484000000902	CDSL Pool Account	NSE CASH	Pay-in
3	In30012611202856	NSDL Pool Account	BSE CASH	Pay-in
4	In30012611197687	NSDL Pool Account	NSE CASH	Pay-in
5	1100001000015789	ICCL	BSE CASH	Early Pay-in
6	1100001100016360	NSCCL	NSE CASH	Early Pay-in
7	1204840000138644	CDSL SLB Pool Account	NSE SLB	Pay in
8	1100002300000256	CDSL SLB Early Pay-in Pool Account	NSE SLB	Early Pay-in
9	1204840000141013	CDSL SLB Pool Account	BSE SLB	Pay in
10	1204840000141028	CDSL SLB Early Pay-in Pool Account	BSE SLB	Early Pay-in

**Demat Account to which securities can be pledged for the purpose of margin pledge.**

Sr No.	Demat Account Number	Account Category	EXCHANGE & SEGMENT
1	1204840000425741	TM-Client Securities Margin Pledge Account	NSE
2	1204840000424125	CM-Client Securities Margin Pledge Account	NSE
3	1204840000429691	TM/CM Client Securities Margin Pledge Account	NSE
4	1204840000426059	TM-Client Securities Margin Pledge Account	All Exchange / Segments

6. I/We further confirm having read and understood the contents of the 'Rights and Obligations' document(S) and 'Risk Disclosure Document'. I/We do hereby agree to be bound by such provisions as outlined in these documents. I/We have also been informed that the standard set of documents has been displayed for information on **Kunvarji Finstock Pvt Ltd** designated website [www.kunvarji.com](http://www.kunvarji.com)

Please enable me to deal/trade on BSE, NSE Stock Exchange on aforesaid segment(s).

Yours Sincerely,

**Name of Client:-** \_\_\_\_\_

**Signature of Client:-**

**Client Code:-**

**Place: -**

**Date:-**

**AUTHORITY LETTER TO ADJUST COLLATERALS AGAINST MTM LOSS – ALL EXCHANGES – VOLUNTARY**

Dear Sir/ Madam,

I/We have a trading account, bearing no. \_\_\_\_\_, with Kunvarji Finstock Pvt.Ltd. in the name of \_\_\_\_\_ since \_\_\_\_\_

I/We hereby authorize Kunvarji Finstock Pvt. Ltd. to adjust my/our MTM losses/ Settlement obligation on a daily basis, before trading commences on the next trading day, against my/our collaterals available with Kunvarji Finstock Pvt. Ltd., after having first adjusted the initial margin requirement in my/our account.

I/We hereby further authorize Kunvarji Finstock Pvt. Ltd. that the MTM Profit / Settlement Credit, if any, may be added to my/our collateral(s) maintained with Kunvarji Finstock Pvt. Ltd. and treated as additional collateral brought in by me/us.

I/We have right to revoke any of the authorisation granted to the Member – Broker through this document by sending a written communication duly signed at the registered office of the Member – Broker.

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Signature of Client/ Authorised Signatory (ies)

**UNDERTAKING TO ABIDE BY RULES FOR POSITION LIMITS - VOLUNTARY**

I/We am/are aware that SEBI and recognised commodity Exchanges prescribe open position limits at client level for near month as well as across all derivative contracts of a commodity. I/We am/are also aware that, SEBI and Exchanges prescribe manner of computation of open position limit in respect of each client by clubbing the position of other entities associated with the said client.

I/We hereby declare and undertake that I/we shall not exceed and abide by the position limits prescribed by SEBI or respective Exchange(s) as per the mode of computation prescribed.

I/We undertake to inform you and keep you informed if I/any of our partners/directors/karta/trusty or any of the partnership firms/companies/HUFs/trusts in which I/any of such person is a partner/director/Karta/trusty, takes or holds any position in any commodity derivative contract on any commodity Exchange through you or through any other member(s) of any commodity Exchange, to enable you to restrict our position limit in accordance with directives.

I/We confirm that you have agreed to execute our orders in commodity derivatives as your client on commodity Exchange(s) only on the basis of our undertaking and assurance.

Yours faithfully,

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Signature of Client/ Authorised Signatory (ies)

**LETTER FOR AUTHORIZATION OF SQUARING-OFF OF OPEN POSITIONS****Date:****Client Name:****Client Code:****Address:**

To,  
Kunvarji Finstock Pvt. Ltd.  
B - Wing, 1st Floor, Siddhivinayak Towers, Nr. D.A.V. School,  
Next to Kataria House, Off. S.G. Road,  
Makarba, Ahmedabad - 51.

Dear Sir,

**Sub.: Authorization for squaring off of open position**

I/We am/are your client registered under client code: \_\_\_\_\_. I/ We execute our trades in commodity futures on NCDEX and MCX through the above trading account with you. The commodity market has been experiencing very high volatility since quite sometime. This has resulted in increased risk of losses due to market moving against my/our open position in a very short span of time. In order to protect my/our capital and as a measure of managing risk emanating from high volatility and very long trading hours, I/we authorise you to kindly square off my/our outstanding position taken by me/us, without my/our order or consent, under any of the following situations, whichever occurs first;

- (a) Squaring off of total open positions: Upon my/our total position including positions taken with the intention of carrying it forward overnight resulting in marked to market (MTM) losses exceeding pre-specified percentage of my/our margin deposit/ledger balance.
- (b) Squaring off of Intra day positions: At any time in between or in the last 30 minutes prior to market closing time for the segment in which I/we have taken such position for intraday trading purposes as indicated by me/us at the time of placing orders and as recorded through specified order entry feature for intraday trading orders.
- (c) The above parameters viz. time limit for square off and pre-specified percentage of margin deposit/ ledger balance shall be subject to change depending on market conditions, volatility and other factors, your views for which shall be final and binding. You shall be under no obligation to explain or justify such modifications in parameters.

I/We understand that

- (i) The above instruction shall be executed by you on best effort basis and does not result in creating any legal obligation on your part. I/We understand that, volatility, depth of the market and availability of matching order on opposite side are factors beyond your control.
- (ii) The square off may not happen due to either limited ability on your part to track positions of several clients online and square off may not be executed or may be executed much later than specified time limit, due to dealer being preoccupied with other clients.
- (iii) The non squaring off of open positions due to any reason including reasons mentioned in (i) and (ii) above, shall not absolve me/us from my/our obligation to honour my/our settlement obligations as per provisions of Member-Client Agreement, Rules, Regulations, Bye-laws and Business Rules of the Exchanges. (iv) You may use functionalities, if any, available in your trading software application. However, I/ We understand that software and computers may not function, at times, due to technical problems, connectivity issue or bugs.
- (iv) Thus, while you may try your best to act in accordance with my/our instructions, you may not be able to do so due to any of the above stated reasons or for any other reasons. I/We shall not hold you responsible or accountable for failure to square off my/our position in accordance with the above instructions.

- (v) You may endeavor to communicate my/our transactions as expeditiously as possible, including through SMS confirmation on my/our registered mobile number, any change thereof shall be communicated to you in time. However, you shall not be under obligation to do so. I/We undertake to review my/our transactions and open positions, margin utilization and ledger balances and other reports either through the internet access to your back office or by making inquires.
- (vi) This letter and the above instructions does not amount to any alterations or amendments in your right to square off my/our position in accordance with the Member – Client Agreement executed by me/us with you and the rights available to you under the Rules, Regulations, Bye-laws and Business Rules of the Commodity Exchanges on which I/we have executed transactions.
- (vii) I have agreed to that, In case of squaring off of my position due to MTM Loss being in excess of specified percentage of my collateral deposited with you including the credit balance in my ledger account with the Company in any segment/Exchange, you may not be able to communicate to me the requirement of additional margin to allow me to keep my open positions due to various factors including the fact that such situation may arise much after normal office hours, and/or multiple clients position may have similar positions and you may not be able to communicate to each of them individually. I undertake not to raise a dispute about non-communication of additional margin requirement. I confirm that, I have agreed to the above norms with a view to minimise my losses and to limit my obligations.

Yours faithfully

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Signature of Client/ Authorised Signatory (ies)

To,  
Kunvarji Finstock Pvt. Ltd.  
Ahmedabad-380051.

Dear Sir / Madam,

**Sub: Consent for trading in Commodity Options in the KYC Client Code:- \_\_\_\_\_**  
**PAN No. \_\_\_\_\_**

1. I/We \_\_\_\_\_ are registered with you as a client for trading in commodity derivatives.
2. I/We understand that SEBI has allowed trading in commodity options. Exchanges are soon likely to launch option contracts with commodity or commodity derivatives as underlying.
3. I/We have gone through the additional risk disclosure document sent by you and have appraised myself/ourselves with the risk of trading in commodity options.
4. I/We are interested in trading in commodity options and hereby accord my/our consent to trading in commodity options with confirmation of having received additional risk disclosure document disclosing risk of trading in commodity options.
5. This consent is valid till I/we revoke the same. I/We understand that I/we have right to withdraw the same at any point of time.

Yours Sincerely,

**Signature of Client :-**  \_\_\_\_\_

**Name of Client:-** \_\_\_\_\_

**Place:-**

**Date:-**

**Note :** In case of existing clients who are Corporate/ Trust/ Partnership, a resolution from Board of Directors/ Trustees/partners is required clearly stating that the Corporate/ Trust/ Partnership are authorized to trade in Commodity Options and they intend to trade in Commodity Options on recognized Exchanges

**Annexure 1****Additional Risk Disclosure documents for Options Trading****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.

**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.

## ANNEXURE –1

### UNDERTAKING OF CLIENT OPTING TO OPEN TRADING ACCOUNT FOR TRADING IN EXCHANGE TRADED CURRENCY DERIVATIVES (ETCD)

To,

Kunvarji Finstock Pvt. Ltd SEBI Registration No. INZ000180436

Ahmedabad

Dear Sirs,

I am/we are opting for opening my trading account with Kunvarji Finstock Pvt. Ltd for Currency Derivatives Segment of NSE/BSE. I/We confirm and undertake that

1. I am aware of provisions of RBI Circular No. RBI/202-24/108 A. P. (DIR Series) Circular No. 13 dated 05.01.2024 issued by RBI in exercise of its regulatory powers under Foreign Exchange Management Act, 1999 (FEMA) for regulating transactions in currency derivatives.
2. I have understood the contents of the said circular, more specifically para 3.4 (i) (a) of the said circular which is reproduced as under:

#### **3.4 Other Directions**

(i) *For exchange traded foreign exchange derivative contracts involving INR, Recognized Stock Exchange shall ensure that:*

(a) *The user is allowed to take positions (long or short), without having to establish existence of underlying exposure, up to a single limit of USD 100 million equivalent across all currency pairs involving INR, put together, and combined across all Recognized Stock Exchanges;*

*Note: Recognized Stock Exchanges shall inform users that while they are not required to establish the existence of underlying exposure, they must ensure the existence of a valid underlying contracted exposure which has been not hedged using any other derivative contract and should be in a position to establish the same, if required. (Emphasis added)*



3. I undertake to comply with the provisions of the said circular. I further undertake that after opening of my trading account, I/We will execute trades in Exchange Traded Currency Derivatives only against my/our valid underlying unhedged exposure to currency price risk.
4. I further undertake to submit the details of such valid underlying unhedged currency price risk assumed by me through my other activities, as and when called for by you or by any other regulatory authority. I understand that any positions in derivative markets in any global commodity or currency derivatives (whether on Stock Exchange or in OTC Contracts) or any exposure arising out of holding of any physical commodities like gold, silver or base metal shall not be considered as a valid underlying exposure to currency price risk.
5. I further undertake that, I will adjust my open position as soon as there is change in the quantum of my valid underlying unhedged currency price risk.
6. I also undertake and state that, whenever I will initiate or increase my open position in ETCD in future, I will always ensure that my position in ETCD shall never exceed my valid underlying unhedged currency price risk, and that I shall continue to abide to my undertaking stated hereinabove in respect of such open positions in ETCD.

Whatever state above is true and correct to the best of my information, knowledge and belief.

Yours Faithfully,

\_\_\_\_\_

Signature of the client

Name of the Client : \_\_\_\_\_

PAN Number: \_\_\_\_\_