

Advisory for Investors

Investing in financial markets requires careful planning, awareness, and adherence to regulatory guidelines. This advisory provides key considerations to help investors safeguard their interests while participating in the stock and commodity markets.

Understanding Investment Risks

- All investments involve some degree of risk, including market fluctuations and potential loss of capital.
- Be cautious of schemes promising fixed, guaranteed, or regular returns. No broker, authorized person, or associate is permitted to offer such assurances.
- Capital protection schemes offered by unauthorized entities may lead to financial losses and are not covered under exchange compensation mechanisms.

Choosing a Reputable Broker & Trading Safely

- Engage only with SEBI-registered trading members and verify their credentials on regulatory websites.
- Do not transfer funds for trading to unauthorized individuals, including associates of brokers or authorized persons.
- Ensure your broker does not retain your funds unnecessarily. Credit balances must be returned within three working days if no transactions have been conducted in the last 30 days.
- Verify settlement frequency opted for (30-day or 90-day settlement). Ensure your account is settled accordingly.

Margin & Security Guidelines

- Brokers cannot accept direct transfer of securities as margin. Securities pledged as margin must remain in the client's account and can only be pledged via Depository's margin pledge system.
- Do not place securities with your broker or any of their associates unless for the settlement of sold securities.

Staying Informed & Monitoring Transactions

- Keep your contact details (mobile number/email) updated with your broker to receive important trade alerts.
- Review all SMS/email alerts from the Exchange regarding trades executed on your account.
- Compare weekly account balance statements received from your broker with those reported by the exchange. Report discrepancies immediately.
- Do not ignore communications from exchanges or depositories regarding transactions on your account. Unrecognized trades must be reported to the broker immediately. If unresolved, escalate to the exchange.

Claim Eligibility & Investor Protection

- In case of a trading member's default, claims for compensation are subject to norms defined by the Investor Protection Fund (IPF). Eligibility criteria and procedures are available on the Exchange website: [Defaulter Committee Claim](#)
- Claims for funds or securities under unauthorized agreements (such as indicative returns schemes) will not be accepted under the Exchange's compensation norms.

Reporting & Regulatory Support

- If you suspect fraudulent activities or discrepancies, report them immediately to your broker and, if unresolved, escalate the matter to the Exchange or SEBI.
- Do not ignore suspicious calls, messages, or emails offering unauthorized investment schemes. Verify any claim before proceeding with investments.

Disclaimer: This advisory is for informational purposes only and does not constitute financial or legal advice. Investors are encouraged to consult with qualified professionals before making investment decisions.