

TERMS AND CONDITIONS:

For the purposes of this application various legal terms or their abbreviations viz. "NRI", "PIO", "repatriable", "Non-repatriable", "Authorized Dealer", "Portfolio Investment Scheme", "NRE", "NRO", "FCNR" etc. have been used. These terms & abbreviations have their corresponding meaning or definitions in Foreign Exchange Management Act, 1999 and various notification passed under it (collectively, "FEMA") and other relevant laws and regulations of India amended from time to time. Before submitting this application, applicant should fully inform and make himself/herself aware of all these laws and regulations issued by Government of India / Reserve Bank of India (RBI) and other Indian Regulatory Authorities Viz. Securities Exchange Board of India (SEBI) etc. that are applicable to their transactions in Indian securities under PIS.

1. I/ We shall ensure that my/ our total holding of equity/ preference shares/ convertible debentures (including the equity/ preference shares/ convertible debentures already held, if any, in a company) ("Securities") in any single company that may be allowed to be purchased through stock exchange/s with repatriation benefits shall, at no time, exceed specified percent of the paid up-capital/ paid-up preference capital/ paid-up value of each series of convertible debentures of respective companies (as per RBI Guidelines, the present limit is 5%), FEMA and/ or other application regulations.
2. I/ We agree not to deal with Securities of company(ies) which is/ are engaged or proposes to engage in the business of Chit Fund, Nidhi company, agriculture or plantation activities, real estate business (does not include development of townships, construction of residential/ commercial premises, roads or bridges, educational institutions, recreational facilities, city and regional level infrastructure, townships), construction of farm houses, manufacturing of cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes and trading in Transferable Development Rights (TDRs) and any company which is restricted as per applicable laws.
3. I/ We am/ are fully aware that Securities purchased by me/ us under the PIS, cannot be sold, gifted, transferred, pledged other than the PIS route, without the prior Reserve Bank of India (RBI) Approval;
4. I/ We undertake to keep my/ our corresponding PIS Bank account sufficiently funded for enabling Bank to deduct appropriate Fees and charges.
5. I/ We understand and agree that all purchases made by me/ us through my NRO account shall be deemed to have been made on Non-Repatriation basis. All purchases through my NRE account shall be deemed to be made on Repatriation basis, unless otherwise specified.
6. I/ We agree and undertake that I/ we will not at any time seek repatriation of the capital invested or of the income earned thereon in respect of purchases of Securities made on non-repatriation basis. This undertaking will also be binding on our respective heirs, executors, successors and assigns and they will not be entitled to seek repatriation of any capital so invested by me or any income earned thereon
7. I/ We shall strictly comply with all applicable laws, FEMA and RBI Guidelines including all other relevant obligation upon me/ or with regard to my investment under PIS route and operation of the designated account in connection therewith.
8. I/ We shall immediately intimate the Bank about my/ our return to India for permanent residence.
9. I/ We hereby state that this account is solely for the purpose of my/ our investments in the secondary markets and that no other transactions of any other nature will be routed through these accounts. I/ We have to maintain a separate Savings PIS a/c's (NRE/ NRO) for purpose of investments in secondary markets on repatriation and non-repatriation basis respectively apart from maintaining the Savings NRE/ NRO accounts.
10. I/ We shall inform the Bank the nature of all Securities (Rights/ Bonus/ IPO's etc.) purchased and sold. The Bank have right to report to the RBI only those shares acquired under PIS through secondary markets, from NRE PIS account.
11. Payments for Securities/ receipts from the broker on account of sale of Securities will be made against the amounts specified on the bills and no adjustment of purchases against sale transactions will be done even if various sale and purchase transactions are done during the same period. It is understood that no NET Credit / Debit for the day transactions shall be permitted. All individual transactions in the accounts shall be reflected at their full value.
12. For non-repatriable investments, funds for investment shall be provided out of fresh remittances received from abroad through normal banking channel and/or out of funds held in your NRE/FCNR/NRO accounts, and for repatriable investments, funds for investment shall be provided out of fresh remittances received from abroad through normal banking channel and/or out of funds held in your NRE/FCNR accounts.
13. This facility shall be subject to the guidelines, rules and regulations of Reserve Bank of India and other applicable laws. Bank shall have full authority to cancel or suspend the account or terminate the present arrangement in the event of my non-observance of applicable laws, rules & regulation or breach of any of the terms and conditions of this facility.
14. I declare that the I am holding the shares as a capital asset and not as stock in trade.
15. I/ We hereby state that I/ We shall not maintain any other NRE PIS account with any other Bank. I/ We understand that PIS accounts are permitted with any one designated bank branch in India, at any given point of time.
16. I/ We understand that I/ We have to maintain a separate Savings NRE PIS account for the purpose of investments in secondary markets on repatriation and non-repatriation basis respectively. No other transactions of any other nature will be routed through these accounts.
17. I/ We understand that no cheque books and ATM-cum-Debit card shall be issued with PIS/Settlement SB Accounts & no third party transactions will be made by me/us.
18. I/ We authorize the bank to debit all types of bank charges/commission/fees payable by me/us specifically, to my/our NRE Savings Bank Account (that can be maintained by me at any branch of) that is linked to the NRE PIS Account. I/ We undertake that adequate balance shall be maintained by me/us in the respective Savings Bank accounts to facilitate the debiting of fees and service charges. The failure on part of me/us to maintain sufficient balances in these accounts shall not in any way impair the right of the Bank to claim/recover the entire amount due, including interest and service charges in full, by any means in whatsoever manner, including by debit to any other accounts maintained by me/ us with. I/ We agree that the service charges and account maintenance charges are reversible by Bank at any point of time and will refer bank website for updated schedule of charges.
19. I/ We further undertake that we will seek to put through only such of those transactions which are within the RBI guidelines of 'Permissible Credits' and 'Permissible Debits' for PIS accounts.
20. I/ We undertake to provide all the necessary documents/clarifications whenever required by the Bank. I/ We understand that the PIS account will be used only for bonafide transactions relating to PIS that does not involve any violations of the provisions of any Government/Exchange Control Regulations and I/ We shall be solely liable for any action initiated by any of the regulatory authorities concerned. I/ We also state that I/ We am/are solely liable for any non-compliance of the SEBI/RBI Regulations as well as FEMA Regulations or any other relevant directives/guidelines that may be in force on account of my/our PIS account.
21. My/our accounts shall be opened and I/ We shall start trading on recognized Stock Exchange only after closure of my/our existing PIS account (if any) with the previous bank and on receipt of intimation from.
22. I/ We agree that if PIS account is transferred from any other Bank to then I/ We shall furnish a 'No Objection Certificate' from my/our present banker along with relevant Annexure as specified by the Bank with a latest copy of the Demat statement of securities.
23. I/ We shall not undertake the following transactions, either intentional or otherwise: Non delivery based transactions, Intra-day purchase & sale or vice versa, Speculative transactions, Short-selling transactions, Same day square-off
24. I/ We shall not purchase Banned/Cautioned scrips that are prohibited by NSDL/CDSL/RBI. In case of default, I/ We shall arrange to sell the same immediately and losses and applicable charges, if any, on account of such transactions will be borne by me/us and I/ We shall be responsible for legal consequence, if any. Further, the First-In-First-Out (FIFO) method of Capital Gain computation shall be effected and accordingly Tax shall be deducted at source.
25. I/ We understand and will ensure that Shares /convertible debentures acquired by me/us under the Scheme shall not be pledged for giving loan to a third party without prior permission of the Reserve Bank.
26. Amounts due to sale proceeds of shares/convertible debentures which have been acquired by modes other than PIS, such as underlying shares acquired on conversion of ADRs/GDRs, shares/ convertible debentures acquired under FDI Scheme, shares/ convertible debentures purchased outside India from other NRIs, shares/ convertible debentures acquired under private arrangement from residents/non-residents, shares/ convertible debentures purchased while resident in India, do not get credited/debited in the accounts opened exclusively for routing the PIS transactions.
27. I/ We shall intimate the bank about any change in the status of security holdings on account of Corporate Actions or otherwise (IPO/FP0, Rights, Split, Bonus, De-merger, amalgamation, Buy Back, ESOP, Inheritance, Gift, etc.) to facilitate proper reporting under NRE PIS to RBI and Capital Gain computations as per the Income Tax Act, 1961.
28. I/ We understand that if I/ we am/are unable to provide the proof of scrips held by me/us in your NRE PIS account then I/ we would not be permitted to repatriate such funds out of India or transfer to any other NRE accounts.
29. I/ We understand that the Bank may at its absolute discretion, discontinue any of the services completely or partially without any notice to me/us, outsource or appoint other professional to carry out all or any of the work related to PIS.
30. I/ We specifically agree and confirm that any matter or issue arising hereunder shall be governed by and construed exclusively in accordance with the Indian laws and shall be subject to the jurisdiction of the Courts within the Republic of India.
31. I/ We do hereby declare that the information furnished in this form is true to the best of my/our knowledge and belief.
32. I/ We hereby confirm that I/ We have read and understood the above declaration cum undertaking pertaining to the PIS account mentioned in this form and signed as a token of my/our agreeing to comply with them.
33. In case I/ We are unable to provide documentary evidence that the shares were bought from the NRE accounts to the satisfaction of the Bank, the sales proceeds will be credited to my Non Repatriable Account (NRO) or shall be kept on hold by the Bank till the required details are submitted by me.
34. I authorize Bank to deduct tax on my behalf as per the provisions the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 and Central Board of Direct Taxes (CBDT) as well as any other guideline applicable for such deduction. I fully understand that Bank shall only undertake a tentative payment of taxes and the final liability for such payment rests with me.
35. In case of delay, default, non-provision of details from Me/Us/Broker within prescribed time, I/ We shall be solely responsible for the following consequences: a. FIFO method of Capital Gains computation (period of holding) for such transactions and subsequent transactions shall be impacted b. Tax may be deducted on gross sale proceeds at the maximum marginal rate. c. Any delayed credit to my/our respective accounts. I/ We also agree to indemnify the Bank for any loss or claim on account of short or excess deduction of TDS. d. I/ We understand Income from auction trade will be treated as business income for tax calculation.
36. I/ We understand that can outsource the tax calculation and related activities (viz. calculation of capital gains tax, issue of CA Certificate, compiling data for RBI reporting, etc.) to a Chartered Accountancy Firm specialized in PIS Services who may have access to my/our account/transaction details. I/ We would not have any objection in the said agency knowing/referring my/our account details and would not hold /CA firm liable in any manner in this regard.
37. The Bank will provide setoff of tax facility at its discretion. Tax deducted at source by the bank will not be on exchange rate adjustment. Tax will not be Calculated/deducted based on any grandfathering clause and it is at the dis-creation of the bank to offer such services.
38. In case I wish to avail of DTAA benefit; I will submit the required documents in the beginning of every financial year.
39. Both purchase and sale contract notes, in original, will be submitted by me/us within 24/48 hours of execution of the contract to my/our designated branch with whom my/our PIS account is maintained. The onus is on me/us for submission of contract notes to the designated branch of the AD bank.
40. I/ We authorize the bank to put hold on my/our NRE PIS account, if there is any change in PIS balance (debit / credit) but contract note for the corresponding change is not submitted to the Bank my me/us within 48 hours of execution of transaction (buy/sell)
41. I/ We agree that in case of any mismatch in the disclosure of the number of Securities that are purchased or sold, Bank may at its sole discretion debit my PIS account to the extent of the balance Securities standing to my/ our credit. I/ We further declare that, Bank shall not be liable for any losses that I/ we may suffer on account of Bank rejecting any transaction on account of such mismatch. A mismatch is said to have occurred when a transaction indicates quantity of Securities in excess of the quantity held in my/ our PIS account.
42. I/ We shall indemnify and hold harmless Bank and/ or its representatives against any or all losses, costs, claims which Bank might incur/suffer as a result of my/ our operations under such designated accounts. I/ We further hold Bank and/ or its representatives harmless and defend the Bank and/ or its representatives from any and all costs, expenses and charges arising from or by reason of any claims by third party with regard to such transactions. I further agree that Bank shall not be liable for any loss whether actual or perceived, caused directly or indirectly by equipment failure, communication line failure, system failure, internet failure, securities failure on the internet, unauthorized access or any other problem technological or otherwise, that might prevent me from entering or the Bank from executing an order of sale or purchase under PIS scheme, or for any other conditions which are beyond Bank's control.
43. Bank shall not be responsible for any default/ breach of any laws or regulations by the account holder in respect of his/her operations under PIS and shall always be fully authorized to take necessary actions, that it is authorized in the capacity of an Authorized Dealer-Banker under FEMA/ applicable laws.
44. I/ We hereby state that I/ We shall not hold the bank responsible for any loss on account of non-reporting of the purchase of shares (Rights/IPO/Secondary markets etc.) before them sale. I/ We agree that in case of late reporting by me, the date of reporting/date of dematerialization (whichever is later) be considered as the date of acquisition for the calculation of Capital Gains Tax.

APPLICANT SIGNATURE