

OFF LINE TRADING WITH IBMBS

Indbank Merchant Banking Services Ltd is a SEBI registered member of NSE. Indbank is one amongst very few subsidiaries of Nationalised Banks who have entered into Stock Broking activity. Indbank provides services for “On line Trading” as well as Off line Trading (Assisted Trade)

Indbank is providing broking / trading service for investors who want to buy / sell securities / shares in cash segment. For that, the investor must open a Trading / Broking account with Indbank.

On receipt of the filled in application enclosed with all required credentials, IBMBS scrutinizes the account opening form. After ensuring that the application is complete in all respects, IBMBS assigns a Trading account number (which will have the prefix of the first alphabet / letter of the applicant’s name) to the Client.

Trading:

The Clients can place “Buy” orders or “Sell” orders to Indbank by calling the stock “Dealer” of Indbank. The client has to clearly tell the following details to the dealer:

1. Name of the customer
2. Trading Account Number (provided by Indbank)
3. Name of the scrip /equity share to be sold or to be purchased
4. Quantity of shares to be sold or to be purchased.
5. Rate at which they are to be sold / purchased (If it is at the market rate, the order would be executed instantaneously otherwise, the order will be kept pending till the booked order is arrived /reached by the exchange market. Once, the market reaches the rate booked by the client, the system itself will automatically execute the order.
6. If the booked order is not materialized, ;the order gets lapsed at the end of the business / broking hours of the day and the client has to book orders afresh on the next trading session day.

For Sale Transactions

The client has to submit the Delivery Instruction Slip to its Depository Participant (DP) with in 24 hours of the trading session is over. For the present T + 2 settlement, the pay-in and pay-out will take place on the third day at the National Securities Clearing Corporation Ltd. That is,

1. Day – 1 Trading Day
2. Day – 2 DIS to be submitted before the end of the business hours (3.30 pm)
3. Day – 3 Pay in and Pay-out takes place at 10.30 am before which all deliveries are to be made to the NSCCL.

Once the delivery of the shares are duly made by the client, the sale proceeds are credited to his/her trading account by the Member(IBMBS) on the third day and the client can get the amount thereafter.

If the delivery of the shares are either not given by the client or only partially given by the client, the entire number of shares (ordered to be sold) get auctioned at the exchange

level and the client is charged with the difference in prices (between the sale price and the auction price)

For Purchase Transaction:

The client gives purchase order to the dealer of IBMBS. If the order is on market rates, it is being executed immediately / instantaneously. If it is for a particular rate, the order stands in the queue and gets executed when the ordered rates are reached as otherwise it gets lapsed at the end of the day. The client has to make payment within the next working day. If the buying order of the client gets executed, the corresponding shares will be credited to his Demat account on the third day as per T + 2 settlement.

Day Trading

The investor can buy shares on a particular trading session and can sell all or a portion of the quantity which he had purchased on the same day / trading session. The net transaction amount will either be credited or debited to his trading account depending upon the number of shares purchased / sold. Like wise, he can sell shares on a session (even without any stocks to his credit in his Demat account) and can cover / purchase before the closing of the same session. The net amount will be either credited or debited to his trading account.

Contract Note - Form A : At the end of the trading session, Indbank down loads all the details of the transactions (purchase / sale) of the day from the front office to its back office system. Indbank dispatches on the same day the details of the transactions by means of a Contract Note (Form-A) which will contain the name, quantity, rate of the securities purchased /sold quantity, brokerage and all statutory obligations like STT, Service Tax, education cess thereon etc..

Tariff: The brokerage normally charged by IBMBS for the trade is as under:

For delivery based transactions: 0.50 % (min.0.05% per share)

For Intra-day : 0.30% (min 0.05%) single leg only