RULES FOR READY DELIVERY CONTRACTS.

The rules of the Association which are now and hereafter may be for the time being in force subject to the provisions of the Bombay Securities Contracts Control Act, 1925, with the amendments and omissions hereinafter mentioned, be and are hereby adopted as the Rules of the Association for ready delivery contracts:

Omit the words "subject to the sanction of the Governor-in-Council as provided in the Bombay Securities Contracts Control Act 1925" in Rule 66.

Omit Rules 72 to 77.

Omit the words "subject to the sanction of the Governor-in-Council as provided in the Bombay Securities Contracts Control Act" in Rule 99.

Omit the words "made subject to the provisions of the Bombay Securities Contracts Control Act 1925" in sub-clauses (a) and (b) of Rule 170.

Omit Rules 171, 182, 183, 184, 186 and 188.

For Rule 189 the following rule shall be substituted, namely:

"Members shall render contract notes to non-Members in respect of every bargain made for such non-Member's account and shall charge commission at rates not exceeding the scales prescribed in Appendix G annexed to these Rules."

Omit the words "and in such case the contract note shall state that the bargain has been made between non-Members" in Rule 190.


*Passed at an Extraordinary General Meeting of the Association held on the 15th March 1929.*
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BOMBAY ACT No. VIII OF 1925.

(First published, after having received the assent of the Governor General, in the "Bombay Government Gazette" on the 29th December 1925.)

An Act to regulate and control certain contracts for the purchase and sale of securities in the City of Bombay and elsewhere in the Bombay Presidency.

WHEREAS it is expedient to regulate and control certain contracts for the purchase and sale of securities in the City of Bombay and elsewhere in the Bombay Presidency in manner hereinafter appearing; And whereas the previous sanction of the Governor General required by section 80A (3) of the Government of India Act has been obtained for the passing of this Act: It is hereby enacted as follows:—

1. This Act may be called the Bombay Securities Contracts Control Act, 1925.

2. (1) This Act shall apply to the whole of the Presidency of Bombay.

(2) It shall come into operation in the city of Bombay on such date as the Governor in Council may, by notification in the Bombay Government Gazette, appoint: the Governor in Council may further, by notification in the Bombay Government Gazette, direct that the Act shall come into operation in any place in the Bombay Presidency other than the city of Bombay on such date as may be specified in such notification.

3. In this Act unless there is something repugnant in the subject or context,
(1) "securities" include stocks, shares, bonds, debentures, debenture stock and any other instruments of a like nature.

(2) "stock-exchange" means any association, organisation or body of individuals, whether incorporated or not, established for the purpose of assisting, regulating and controlling business in buying, selling and dealing in stocks, shares, bonds, debentures, debenture stock and any other like securities.

(3) "recognised stock-exchange" means a stock-exchange which is, for the time being, recognised by the Governor in Council as provided in section 4.

(4) "ready delivery contract" means a contract for the purchase or sale of securities for performance of which no time is specified and which is to be performed immediately or within a reasonable time.

Explanations—The question what is a reasonable time is in each particular case a question of fact.

4. (1) A stock-exchange desirous of being recognized for the purpose of this Act shall make an application in writing to the Governor in Council for such recognition, and shall submit rules for the regulation and control of transactions in securities other than ready delivery contracts and furnish such information in regard to such recognition as the Governor in Council may require.

(2) The Governor in Council may give or refuse such recognition provided that the rules submitted by the stock-exchange under sub-section (1) shall be published in the Bombay Government Gazette one month before such recognition is given.
The Governor in Council may at any time withdraw the recognition given to a stock-exchange under sub-section (2) and such stock-exchange shall thereupon cease to be a recognized stock-exchange.

5. (1) A stock-exchange subject to the sanction of the Governor in Council may make and may from time to time add to, vary or rescind rules for the regulation and control of transactions in securities (other than ready delivery contracts).

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for:

(a) the government of the stock-exchange by a governing body and the constitution of such governing body;

(b) the powers and duties of the governing body and the manner in which its business shall be transacted;

(c) the fixing of a scale of charges;

(d) the making, settling and closing of bargains;

(e) the exercise of emergency powers in the case of corners;

(f) the regulation of dealings by members for their own account; and

(g) the settlement of disputes arising between members and the punishment of defaulting members.

(3) Rules made by a stock-exchange under sub-section (1) shall be published in the Bombay
Government Gazette one month before they are sanctioned by the Governor in Council and shall again be published after sanction.

6. Every contract for the purchase or sale of securities, other than a ready delivery contract, entered into after a date to be notified in this behalf by the Governor in Council shall be void, unless the same is made subject to and in accordance with the rules duly sanctioned under section 4 and every such contract shall be void unless the same is made between members or through a member of a recognised stock-exchange; and no claim shall be allowed in any Civil Court for the recovery of any commission, brokerage, fee or reward in respect of any such contract.
FINANCE DEPARTMENT.

Bombay Castle, 16th May 1927.

No. 2902-A.—In exercise of the powers conferred by section 6 of the Bombay Securities Contracts Control Act, 1925 (Bom. VIII of 1925), the Governor in Council is pleased to notify the 3rd June 1927 as the date after which every contract for the purchase or sale of securities, other than a ready delivery contract, shall be void unless the same is made subject to and in accordance with the rules duly sanctioned under section 4 of the said Act.

Bombay Castle, 14th, May 1927.

No. 2902-A.—Whereas the Governor in Council has sanctioned the recognition of the Native Share and Stock Brokers’ Association, Bombay, for the purposes of the Bombay Securities Contracts Control Act, 1925 (Bom. VIII of 1925); Now, therefore, under the provisions of subsection (3) of section 5 of the said Act and with reference to Government Notification in the Finance Department No. 2902-A, dated the 15th March 1927, the following rules made by the Native Share and Stock Brokers’ Association, Bombay, for the regulation and control of transactions in securities (other than ready delivery contracts), having been sanctioned by the Governor in council, are hereby published again for general information:
RULES OF THE NATIVE SHARE AND STOCK BROKERS' ASSOCIATION, MADE SUBJECT TO THE PROVISIONS OF THE BOMBAY SECURITIES CONTRACTS CONTROL ACT, BOMBAY ACT VIII OF 1925.

CONSTITUTION OF THE ASSOCIATION.

All Members bound by Rules.

1. (a) The Native Share and Stock Brokers' Association shall be constituted of those persons who are and shall hereafter be duly admitted Members of the Association according to the Rules for the time being in force and all such persons, whether admitted Members of the Association before or after these Rules come into force, shall be deemed bound by the Rules of the Association which are or shall hereafter be for the time being in force;

Number of Members.

(b) The Association may by a Resolution from time to time determine the maximum number of its Members.

OBJECTS OF THE ASSOCIATION.

The interests of Brokers and the Public.

2. The Association is established—

(a) to support and protect the character and status of Brokers and to further the interests of both Brokers and the public dealing in Bombay in stock, shares and like securities and in exchange, to promote honourable practices, to discourage and to suppress malpractices, to settle disputes amongst Brokers, to decide all questions of usage, custom or courtesy in conducting brokerage business;

Brokers' Hall.

(b) to erect, construct, extend and maintain in Bombay a suitable building, to be used as a Brokers' Hall and for such other purposes of the Association as may be determined upon, such building to be for ever called "The Sir Dinshaw Petit Native Brokers' Exchange Hall" and to erect, construct and maintain such other building or buildings as may be considered necessary or desirable for the purposes of the Association or for the use of the Members thereof;
Borrowing of monies.

(c) to borrow, with the sanction of the Members of the Association given at a special general meeting convened for the purpose, any monies required for the purposes of the Association upon such terms as may be determined with or without securities;

Purchase of immovable property.

(d) to purchase or otherwise acquire with the sanction of the Members of the Association given at a special general meeting convened for the purpose any immovable property in Bombay and any rights or privileges necessary or convenient for the purposes of the Association and, in particular, any land, buildings or easements;

Leases.

(e) to take on lease any property and any rights or privileges necessary or convenient for the purposes of the Association;

Investments.

(f) to invest the monies of the Association not immediately required upon such securities and in such investments as may from time to time be determined upon;

Sales and mortgages of immovable property.

(g) to sell, develop, lease, mortgage, dispose of or otherwise deal with, with the sanction of the Members of the Association given at a meeting specially convened for the purpose, the whole or any part of the immovable properties of the Association;

Incidental powers.

(h) to do all such other things as are incidental or conducive to the attainment of the above objects.

MEMBERSHIP.

3. No person shall be eligible for membership of the Association unless—

Natives of India.

(a) He is a native of India, or
British subjects.

(b) is a British subject, having resided in the Bombay Presidency for at least ten years prior to his application for membership.

Age of Members.

4. No person shall be eligible for membership of the Association who is less than twenty-one years of age.

Bankrupts.

5. No person shall be eligible for membership of the Association who has been bankrupt or against whom a receiving order in bankruptcy has been made or who has been proved to be insolvent even though he shall have obtained his final discharge from an Insolvency Court.

Compounding with creditors.

6. No person shall be eligible for membership of the Association who has compounded with his creditors unless he shall have paid sixteen annas in the rupee.

Other occupations.

7. (a) No person shall be eligible for membership of the Association if he be engaged as principal or employee in any business other than that of a Broker in stocks, shares and like securities or of a general financial Broker which shall include bullion and exchange, unless he shall undertake on admission to the Association forthwith to sever his connection with such business;

Exceptions.

(b) Nothing in sub-Rule (a) shall apply to any person who prior to 1st March 1926 shall have been duly admitted a Member of the Association;

Membership of other Associations.

(c) No person shall be eligible for Membership of the Association if he be a Member of or subscriber to or shareholder or debenture holder in any other institution, association, company or corporation in Bombay where dealings in stock, shares or like securities are carried on, unless he shall undertake on admission to Membership of the Association instantly to sever his connection with such institution, association, company or corporation as the case may be;
Other occupations when allowed.

(d) A nominee of a member appointed under rule 12 shall be at liberty to carry on any business that the member in whose place he is nominated carried on at the time of his death provided that he is the son, grandson, brother or brother’s son of such member.

ADMISSION TO MEMBERSHIP.

Candidates to be recommended.

8. A candidate for admission must be recommended by two Members each of not less than five years’ standing, neither of whom should be a Member of the Board of Directors.

Form of application.

9. An application for admission shall be in the Form prescribed in Appendix A to these Rules or in such other form as the Board of Directors may from time to time prescribe and shall be signed by the candidate and his recommenders.

Nomination.

10. (a) A candidate for admission, except a candidate applying for a Card in the hands of the Board of Directors, must obtain the nomination of a Member willing to resign in his favour or of the legal representatives or of the persons mentioned in Appendix C authorised under these Rules to nominate;

Form of nomination.

(b) The nomination shall be in Form prescribed in Appendix B to these Rules or in such other form as the said Board may from time to time prescribe and shall only be issued on receipt of a written application signed by the nominator and containing the full name of and signed by the nominee.

Member’s son, grandson or brother.

11. (a) A Member who desires to resign may nominate his own son, grandson or brother otherwise eligible under these Rules for admission to Membership of the Association as a candidate for admission in his place;

(b) A Member of not less than twenty-five years’ standing or a Member 55 years old and of not less than ten years’ standing who desires to resign may nominate a person otherwise eligible under these Rules for admission to Membership of the Association as a candidate for admission in his place.
with the concurrence of the Board.
Successor to deceased Member.

12. (a) The legal representatives of a deceased Member or the persons mentioned in Appendix C may with the sanction of the Board nominate one of themselves or any other person otherwise eligible under these Rules for admission to Membership of the Association as a candidate for admission in the place of the deceased Member;

Rules for guidance of Board.

(b) In considering the application of a candidate for admission under this Rule, the Board of Directors shall, so far as practicable, be guided by the rules set out in Appendix C to these Rules.

Notice.

13. (a) A notice of each application for admission with the names of the recommenders shall be posted on the notice board of the Association for not less than fifteen days previous to the election. The notice shall state on which day it is posted;

Objections.

(b) A Member intending to object to the admission of a candidate shall communicate the ground of his objections to the Board of Directors by letter within fifteen days of the posting of the notice of the application for admission. Any such communication shall be deemed privileged and confidential.

Consideration of application.

14. After the expiry of the period prescribed for communicating objections to an application for admission, the application together with all objections to such application which may have been received shall be placed before the Board of Directors.

Enquiry.

15. A candidate for admission and his recommenders shall, if required by the Board of Directors, attend personally any meeting of the said Board and shall answer all questions which may be put to them.

Election by ballot.

16. The election of new Members (whether they shall have been nominated or not) shall be by ballot and shall be carried by a majority of not less than three-fourths of the Members present at a meeting of the
Board of Directors at which not less than one-half of all the Members of the said Board shall have been present.

Rejection of candidate.

17. The Board of Directors may in their absolute discretion reject any application (whether the candidate shall have been nominated or not) for admission without assigning any reason. A candidate whose application has been rejected shall not be ballotted for again until the expiry of two years from the date of the rejection of his application.

Intimation of election.

18. When a new Member is elected, intimation of his election shall be sent to him in the Form prescribed in Appendix D annexed to these Rules or in such other form as the Board of Directors may, from time to time, prescribe.

ENTRANCE FEE AND SUBSCRIPTION.

Payment of entrance fee and annual subscription.

19. (a) A new Member on election shall not be entitled to exercise any of the rights or privileges of Membership until he shall have paid the prescribed entrance fee and the annual subscription for the year of his election. Should such Member fail to pay such fee and subscription within one month of the receipt of the intimation of his election, his election shall be deemed null and void and he shall be deemed never to have been elected a Member:

Provided that no entrance fee shall be payable by a Member who has been nominated as a candidate for admission under these Rules;

Intimation of date of exercise of rights and privileges. Form of card.

(b) On payment by a new Member within one month of the receipt of the intimation of his election of the prescribed entrance fee and subscription or of the subscription only, as the case may be, the Secretary of the Association shall send to such Member a second intimation in the Form prescribed in Appendix E annexed to these Rules or in such other form as the Board of Directors may, from time to time, prescribe, informing him of the date from which he may exercise the rights and privileges of Membership and shall post the notice of the same on the
notice board of the Association. He shall at the same time send to such Member a Card of Membership. Such Card shall be in the Form prescribed in Appendix F annexed to these Rules or in such other form as the said Board may from time to time prescribe.

Entrance Fee.

20. A newly elected Member (other than one who was nominated for admission) shall immediately on receipt of intimation of his election, pay the entrance fee of Rs. 30,000 or such other sum as may from time to time be determined by the Association. Such fee shall become the property of the Association.

Annual subscription.

21. (a) Every Member shall pay an annual subscription of rupees five or such other sum as may from time to time be determined by the Association. Such subscription shall be payable on the first day of January of each year in advance;

Payment by new Member.

(b) A newly elected Member shall pay the annual subscription for the year of his election immediately on receipt of the intimation of his election;

Increase or reduction of subscription.

(c) The Association may from time to time in general meeting increase or reduce the annual subscription and the entrance fee.

RESIGNATION.

Rights of resigning Members.

22. A Member may resign from the Association by giving [two calendar months'] notice in writing to the Secretary of the Association of his intention, and upon the expiration of the notice he shall cease to be a Member of the Association and shall forfeit all rights and privileges as a Member of the Association, including any right to the use of or any claim upon or any interest in any property or funds of the Association, and such right, claim or interest shall vest in and become the absolute property of the Association.
EXPULSION AND SUSPENSION OF MEMBERS.

Unworthy conduct

23. The Association may by Resolution expel a Member who is guilty of any conduct which in the opinion of the Members renders him unfit to be a Member. Such Resolution shall be passed by a majority of three-fourths of the Members present at a meeting of not less than seventy-six Members and shall be confirmed by a majority of Members at a meeting of not less than fifty Members, held not less than seven and not more than fourteen days after the first meeting.

False declaration.

24. The Board of Directors may by Resolution expel any Member of the Association who has in the opinion of the said Board made a false declaration in his application for admission to Membership; such Resolution shall be passed by a majority of three-fourths of the Members present at a meeting of the said Board at which not less than one-half of all the Members of the said Board shall have been present.

Criminal offences.

25. The Board of Directors may by Resolution expel any Member of the Association who has been convicted of a criminal offence which in the opinion of the said Board renders him unfit to be a Member of the Association. Such Resolution shall be passed by a majority of three-fourths of the Members present at a meeting of the said Board at which not less than one-half of all the Members of the said Board shall have been present.

Membership of other Associations.

26. The Board of Directors shall by Resolution expel any Member of the Association who subsequently to his admission shall become a member of or subscriber to or shareholder or debenture holder in any institution, association, company or corporation in Bombay where dealings in stock, shares and like securities are carried on, or shall be connected through a partner with such institution, association, company or corporation.

Fines and penalties.

27. The Board of Directors shall by Resolution suspend any Member of the Association who within fourteen days after notice in writing
has been served upon him by the Secretary of the Association fails to pay any fine or penalty imposed upon him by the said Board in accordance with any Rule for the time being in force and the said Board shall expel any such Member who within a further period of thirty days fails to pay any such fine or penalty.

**Fraudulent conduct.**

28. (a) The Board of Directors may by Resolution expel or suspend a Member of the Association who is guilty of fraudulent conduct.

(b) The said Board may by Resolution suspend or fine a Member of the Association who

**Refusal to obey.**

(i) may refuse or fail to comply with any Resolution or decision of the said Board;

**Breach of Rule.**

(ii) may violate or act in breach of any rule of the Association or any decision of the said Board;

**Dishonourable or disgraceful conduct.**

(iii) may be guilty, in the opinion of the said Board, of dishonourable or disgraceful conduct or wilfully obstruct the business of the Association.

**Validity of Resolution to expel or suspend.**

(c) A Resolution under this rule shall not be valid or deemed come into force unless it is passed by a majority of three-fourths of the Members present at a meeting of the said Board specially summoned for the purpose at which not less than one-half of all the Members of the said Board shall have been present and is confirmed by a majority of the members of the said Board present at a subsequent meeting of the said Board specially summoned.

**Expulsion of Director by Association.**

29. The Association may by Resolution expel a Member of the Board of Directors from the said Board; such Resolution shall be passed by a majority of three-fourths of the Members present at an extraordinary general meeting at which not less than one hundred Members shall have been present.

**Expulsion of Director by Board.**

30. The Board of Directors may by Resolution expel from the said Board any Member of the said Board who may, in the opinion of the
said Board, be guilty of improper conduct: such Resolution shall be passed by a majority of three-fourths of the Members present at a meeting of the said Board especially summoned for the purpose at which not less than one-half of all the Members of the said Board shall have been present. The said Board shall be the sole judge of what is improper conduct within the meaning of this Rule.

*Expulsion of Director interested in syndicate.*

31. The Board of Directors shall by Resolution expel from the said Board a Member of the Board who, having a direct or indirect interest (except brokerage) in any Bull or Bear syndicate or combination formed to rig or to depress the market or who being a partner or sub-partner in such syndicate or who managing the business of such syndicate or who being a responsible representative of such syndicate, does not forthwith tender his resignation as a Member of the said Board. The said Board shall be the sole judge as to whether a Member of the said Board has any such interest or is such a partner, sub-partner, manager or representative, as the case may be, and their decision shall be final.

*Resolution of expulsion how carried.*

32. Save where it is otherwise provided in these Rules, a Resolution of the Board of Directors for the suspension or expulsion of a Member of the Association or of the said Board must be passed by a majority of three-fourths of the Members present at a meeting of the said Board specially summoned for the purpose at which not less than one-half of all the Members of the said Board shall have been present.

*Reconsideration of Resolution of expulsion.*

33. The Board of Directors may of its own motion and shall on a written requisition of fifty-one Members of the Association reconsider and may cancel, revoke or modify a Resolution of the said Board expelling a Member of the Association. Such Resolution shall not be deemed valid or come into force unless it is passed by a majority of three-fourths of the Members present at a meeting of the said Board specially summoned for the purpose at which not less than one-half of all the Members of the said Board shall have been present and is confirmed by a majority of the Members of the said Board at a subsequent meeting specially summoned.

*Notice of expulsion. No action maintainable.*

34. The Board of Directors may in their absolute discretion and in such manner as they think fit notify or cause to be notified to the Members
of the Association or the public any Resolution of the Association or of the said Board expelling or suspending a Member of the Association or of the said Board. No action or other proceedings shall under any circumstances be maintainable by the Member expelled or suspended against the Association or the said Board or any Member thereof or any officer or servant of the Association by reason of such notification.

_Creditors of expelled or suspended Members._

35. The expulsion or suspension of a Member shall not affect the rights of his creditors.

_Suspension._

36. (a) A suspended Member shall not during the term of his suspension exercise or enjoy any of the rights or privileges of Membership;

_Reinstatement._

(b) An application of a suspended Member for reinstatement shall be considered by the Board of Directors in accordance with the Rules for the time being in force.

_CARD OR RIGHT OF MEMBERSHIP._

_Card inalienable._

37. A Member shall not be entitled to assign, transfer, pledge, hypothecate or charge, nor shall a Member assign, transfer, pledge, hypothecate or charge his Card or right of Membership or any rights or privileges attached thereto and no such attempted transfer, assignment, pledge, hypothecation or charge shall be effective as against the Association for any purpose; nor shall any right or interest in any Card other than the personal right or interest of the Member therein, be recognised by the Association. The Board of Directors shall expel any Member of the Association who acts or attempts to act in violation of the provisions of this Rule.

_Membership a personal right._

38. The Card or right of Membership of a Member and the rights and privileges attached to Membership including all rights to the use of or any claim upon or any interest in any property or funds of the Association shall be the purely personal privilege of the Member attached to his Membership and shall not be deemed part of the property, estate and effects of such Member and shall not pass from such Member to any person or persons by act of the parties or by operation of law.
Membership rights not to pass on insolvency.

39. A Member who is adjudicated an insolvent shall thereby cease to be a Member and his Card or right of Membership and all his rights and privileges as a Member of the Association including any right to the use of or any claim upon or any interest in any property or funds of the Association shall stand forfeited to and become the absolute property of the Association.

Expulsion entails forfeiture of Card. Liabilities to subsist.

40. When a Member of the Association is expelled, his Card or right of Membership and all his rights and privileges as a Member of the Association including any right to the use of or any claim upon or any interest in any property or funds of the Association shall be forfeited to and become the property of the Association: but any liability of any such Member to the Association or to any Member of the Association shall continue and remain unaffected by his expulsion.

Card of deceased Member.

41. When a Member of the Association dies, his Card or right of Membership and all his rights as a Member of the Association including his right to the use of or claim upon or interest in any property or funds of the Association shall, save as is otherwise prescribed by any Rule for the time being in force, vest in and become the absolute property of the Association.

Disposal of forfeited Card and proceeds thereof.

42. A Card or right of Membership which under any rule for the time being in force is forfeited to or vests in the Association, shall belong absolutely to the Association free of all rights, claims or interest of such Member or any person claiming through such Member or in his insolvency, and the Board of Directors shall be entitled to deal with or dispose of the said Card as the said Board may think fit. If the said Board sell such Card, the sale proceeds thereof shall in the first place be applied in satisfying the liability of the Member, whose Card is sold, to other Members in respect of any transaction made subject to the Rules of the Association, and the balance thereof shall be paid into the funds of the Association:

Provided always that the Association may in their absolute discretion by a Resolution passed at a general meeting of the Members direct such balance to be disposed of or applied in such other manner as they may think fit.
PARTNERSHIPS.

Notice of Partnership.

43. Any two or more Members (or a Member) and his father, sons, brothers or brothers' sons intending to carry on a partnership business in a firm name, shall give notice to the Board of Directors in writing of their intention to do so and the name of the firm and shall, thereupon, be permitted to carry on such business in such name:

Power of Board to disallow.

Provided that the said Board may refuse to allow any such partnership to be carried on if they are of the opinion that any member of such partnership is unfit to be a partner.

No partnership shall be recognised until such notice shall have been given.

Register of Partnership.

44. (a) The Secretary of the Association shall keep a register of partnerships and shall enter therein the name of the partnership and the names of the members and any change in such partnership or names;

Names and change of names to be notified.

(b) The members of the partnership must communicate to the said Secretary in writing, signed by all the members, the name of the partnership and the names of the members and shall likewise communicate to the said Secretary any change in such partnership or such names. The said Secretary shall forthwith post a notice of the name of the partnership and the names of the members and of any change therein upon the notice board of the Association and no partnership shall be considered altered or dissolved until it is so notified.

Partnerships with non-Members forbidden.

45. (a) No person who is not a Member of the Association or who is not the father, brother, son or brother's son of such Member shall be admitted a member of any partnership firm and a Member of the Association entering into partnership with any such person shall on proof thereof before the Board of Directors and upon a Resolution of the said Board to that effect, cease to be a Member of the Association;
Partnerships with expelled or suspended Members forbidden.

(b) A Member shall not form a partnership with or carry on business for or with a person who has been suspended or expelled from the Association.

Joint and several liability.

46. When business is done in the name of a firm, all members of the firm shall be liable jointly and severally in respect of all dealings of the firm.

Liability to continue.

47. A Member of the Association whose name is registered as a member of a partnership firm shall continue liable as such until his name is removed from the register by the Secretary of the Association.

Liability of firm for misconduct of individual.

48. All Members of the Association who are members of a firm which is guilty of any act or omission which, if done by an individual Member of the Association, would render any such Member liable to expulsion, suspension or any penalty, shall be liable to be expelled, suspended or penalised as the case may be.

Fictitious partnership and names forbidden.

49. (a) No Member shall conduct business under a firm name unless he shall have at least one partner; a Member who is a surviving partner of an existing firm may continue business in the name of the same firm;

(b) No Member who is not a member of a partnership shall carry on business in any other name but his own.

Forms of Notice.

50. The Board of Directors may from time to time prescribe forms for notifying partnerships and any change in the constitution of such partnerships or in the names of such members.

Names to be printed.

51. (a) All Members shall state on all correspondence relating to the transaction of business subject to the Rules of the Association and on all Contract Notes—

(i) the name of the firm, if any;

(ii) the names of all partners therein.
(b) The Board of Directors shall refuse to allow a firm to carry on business under a name which they consider misleading.

**AUTHORISED CLERKS.**

**Non-Members as authorised clerks.**

52. (a) A Member may employ four authorised clerks who are not Members of the Association and a partnership firm of two or more Members may employ seven such authorised clerks;

(b) Members of the Association may be employed as authorised clerks in excess of the number permitted by this rule. A Member so employed shall not himself be entitled to employ any authorised clerk.

**Unauthorised clerks excluded from Market.**

53. An authorised clerk is entitled to admission to the Market and no clerk who is not authorised is so entitled.

**Power of authorised clerks.**

54. (a) An authorised clerk may make bargains on behalf of his employer but shall not make bargains in his own name or sign Contract Notes in his own name or on behalf of his employer;

(b) A Member shall be liable for all acts done and all bargains made on his behalf by any authorised clerk employed by him and he shall fulfil such bargains according to the Rules of the Association in the same manner as if such bargains had been made personally by him.

**Register of authorised clerks.**

55. (a) The Secretary of the Association shall keep a register of authorised clerks and shall enter in such register the name of the clerk and of the Member who employs him, the dates of the beginning and termination of his employment or the withdrawal of his authorisation;

(b) A Member employing an authorised clerk or terminating the employment or withdrawing the authorisation of such clerk shall give notice in writing to the said Secretary of the name of such clerk and of the date of the beginning or termination of his employment or the
withdrawal of his authorisation and the said Secretary shall forthwith post
the notice of such employment, termination or withdrawal upon the
notice board of the Association;

_liability of employer to continue until notice._

(c) The responsibility of a Member for the acts of his authorised
clerk shall continue until one day after the notice of the termination of
his employment or the withdrawal of his authorisation shall have been
received by the said Secretary.

_substitute clerks._

56. A Member may, on giving notice in writing to the Secretary of
the Association and on payment of a fee prescribed by the Board of
Directors, nominate a substitute clerk to act temporarily in the absence
of an authorised clerk.

_relatives as authorised clerks._

57. A Member may by a written notice to the Secretary of the
Association authorise his father, sons, brothers or brothers’ sons to act for
him in addition to the number of authorised clerks permitted to him under
Rule 52. The father, sons, brothers or brothers’ sons so authorised shall
be in the same position as authorised clerks and the rules applicable to
authorised clerks shall in like manner apply to them.

_admission during good behaviour._

58. Authorised clerks shall be admitted to the Market only during
good behaviour and the Board of Directors may by a Resolution in their
absolute discretion refuse admission to the Market to the authorised clerk
of any Member and may at any time suspend or terminate the right of
admission of such clerk.

_bargains for other than employer forbidden._

59. (a) An authorised clerk shall not transact any business on
behalf of any Member other than his own employer. The Board of Direc-
tors shall expel or suspend a clerk violating the provisions of this rule;

(b) A Member acting as an authorised clerk or as the representative
of another Member shall not make any transaction in his own name.

Badges.

60. (a) An authorised clerk when in the Market must wear a badge.
No clerk without such badge shall be admitted into the Market to transact
business;
(b) Clerks of defaulters or of Members who have been suspended or expelled shall be excluded from the Market.

Penalty for improper use of badge.

61. The Board of Directors shall expel or suspend an authorised clerk who transfers his badge to any other clerk. When a clerk is so expelled or suspended, his employer shall not be permitted to authorise a clerk in his place till the expiry of a period of three months.

Loss of badge.

62. A Member shall notify the loss of a badge to the Secretary of the Association, who will issue another in its place on application by such Member and on payment of rupees six or such other sum as the Board of Directors may from time to time determine.

Return of badge.

63. A Member who determines or who withdraws the authorisation of a clerk shall return the badge to the Secretary of the Association on the date of such determination or withdrawal.

Members ceasing to do business.

64. A Member who has ceased doing business in his own name shall not be entitled to employ any authorised clerk and shall return the badge of any such clerk which may have been issued to him.

Expelled Member as authorised clerk.

65. A Member who has been expelled shall not be employed by any other Member as a clerk, either authorised or unauthorised.

THE ASSOCIATION IN GENERAL MEETING ASSEMBLED.

Making of Rules.

66. The Association in an extraordinary general meeting may, subject to the sanction of the Governor in Council as provided in the Bombay Securities Contracts Control Act, 1925, by a Resolution, from time to time make, add to, vary or rescind any rule or rules to carry out the objects of the Association. No such Resolution shall be deemed valid unless it shall have been passed by a majority of three-fourths of the Members present at a meeting of not less than seventy-six Members and shall have been confirmed by a majority of the Members present at a meeting of not less than fifty Members, held not less than seven days and not more than fourteen days after the first.
Rescinding Resolution of the Board.

67. (a) The Association in an extraordinary general meeting may, by a Resolution passed by a majority of the Members present at a meeting of not less than seventy-six Members, rescind any Resolution of the Board of Directors making, adding to, varying or rescinding any rule or rules of the Association;

Convening of meeting.

(b) Such meeting shall be convened by the President of the Association or the said Board upon a written requisition of not less than fifty-one Members of the Association, made to the said Board within seven days of the posting upon the notice board of a copy of the Resolution of the said Board; and by advertisement published in not less than one English and one Gujarati daily newspaper not less than three days before the date appointed for the meeting; and by a notice upon the notice board of the Association.

Convening by Secretary.

(c) Should the said President or the said Board fail to convene such meeting within fifteen days of the receipt of the requisition, the Secretary of the Association, shall by advertisement and notice in the manner aforesaid convene such meeting, and on his default, any five of the requisitionists may in like manner convene such meeting.

Annual General Meeting.

68. (a) In the month of March in each year or as soon after as may be practicable, the Board of Directors shall convene a meeting of the Members of the Association, to be called the Annual General Meeting;

How to be convened.

(b) Such meeting shall be convened by advertisement in not less than one English and one Gujarati daily newspaper published in Bombay, not less than three days before the date appointed for the meeting, and by notice upon the notice board of the Association.

Special General Meeting.

69. (a) The Board of Directors or the President of the Association shall have the power to convene a special general meeting of the Association at any time by advertisement to be inserted in at least one English and one Gujarati daily newspaper published in Bombay at least three days before the date appointed for such meeting and by notice upon the notice board of the Association;
post to us later than the 20th of May before the book.

The Secretary for the meeting.

Extraordinary

am extraordinary.
How to be convened.

(b) The said Board or the said President shall on the requisition of not less than fifty-one Members convene a special general meeting in the manner aforesaid. Such requisition shall state the objects of such meeting to which the discussion shall be strictly confined;

Secretary or five requisitionists may convene.

(c) Should the said Board or the said President fail upon such requisition to convene such meeting within fifteen days of the receipt of the requisition, the Secretary of the Association or five of the requisitionists may convene such special meeting by advertisement and notice in the manner aforesaid.

Business at Annual General Meeting.

70. No business shall be brought forward or transacted at the Annual General Meeting except the following:—

(i) A statement in Gujarati and English of the income and the expenditure of the Association for the preceding year and balance sheet together with the Auditors' Report thereon;

(ii) Election of members of the sub-committees;

(iii) Appointment of Auditors;

(iv) Such other business as shall have been notified in the notice posted on the notice board.

Proceedings at General Meeting—Who may attend.

71. (a) No person other than a Member of the Association except the Solicitor of the Association and the officers or servants of the Association shall be entitled to be present at a General Meeting. A Member before taking his seat shall sign his name in the book provided for that purpose;

Quorum.

(b) The quorum for a General Meeting shall be not less than twenty-five Members present unless it is otherwise provided in any rule for the time being in force. No business shall be transacted at any General Meeting unless a quorum shall have been present at the commencement of the transaction of such business;
No quorum—Adjournment of meeting.

(c) If within thirty minutes from the time appointed for the meeting the quorum required by any rule for the time being in force be not present, the meeting, if convened upon a requisition of Members, shall be dissolved; but if the meeting be not so convened, it shall stand adjourned at the same time and place to the same day in the next week or if such day be a holiday, to the next business day; and if at such adjourned meeting no such quorum be present, those Members present shall constitute a quorum and may transact the business for which the meeting was called;

Chairman of meeting.

(d) The President of the Association or in his absence the Vice-President shall be entitled to take the Chair at every General Meeting. If there be no President or Vice-President or if at any meeting the President or Vice-President be not present within fifteen minutes of the time appointed for such meeting, the Members present shall choose a Member of the Board of Directors as Chairman and if no Member of the said Board be present or if all the Members of the said Board present decline to take the chair, the Members present shall choose one of their number to preside;

Decision by majority—Ballot.

(e) Every question submitted to a meeting shall be decided by a majority of the votes of the Members present unless it is otherwise provided by any rule for the time being in force. Votes shall be taken by a show of hands unless a ballot be demanded in writing by not less than five of the Members present. In the case of an equality of votes the Chairman shall have a casting vote in addition to his vote as Member;

Declaration by Chairman.

(f) At any meeting, unless a poll be demanded by five Members, a declaration by the Chairman that a Resolution has been carried or carried by a particular majority or lost and an entry to that effect in the minute book of the Association, shall be deemed conclusive evidence of the fact that such Resolution was so carried or lost and no further proof of the number of votes recorded for or against such Resolution shall be necessary;
Poll.

(g) If a poll be demanded by five or more Members, it shall be taken at such time and place, either immediately or after an interval of adjournment, and either by open voting or by ballot, as the Chairman directs, and the result of such poll shall determine whether the Resolution is carried or lost;

Validity of Vote.

(h) The Chairman of any meeting shall be the sole judge of the validity of any vote given at such meeting;

Voting by proxy.

(i) A Member present in person at a meeting shall have one vote. No voting by proxy or by Power of Attorney shall be allowed;

Defaulter may not vote.

(j) A Member who has been declared a defaulter shall not be entitled to be present or to vote at any general meeting; but a Member shall not be disentitled to be present and vote merely because money is due and payable by him to the Association;

Adjournment of Meeting.

(k) The Chairman of a meeting, may, with the consent of the majority of the Members present, adjourn the same from time to time and from place to place; but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

TRUSTEES AND AUDITORS.

Appointment of Trustees. Trustees to take assurances of persons and property.

72. The Members at the Annual General Meeting or at a meeting specially convened for the purpose, as occasion may require, shall from time to time appoint such Members being members of the native community of the Bombay Presidency as they please Trustees of the funds and properties of the Association and shall have power from time to time to remove such Trustees or one or more of them as they shall see occasion and to appoint another or others in the place of the Trustee or Trustees so removed and all grants, conveyances and assurances of any immoveable property purchased by or out of the funds of the Association and all
instruments and assurances for the security and indemnity of the Association and of the Board of Directors and of its officers and servants and of the property, capital and stock of the Association, shall be taken in the names of the Trustees.

Present Trustees.

73. Messrs. Maneklal Jethabhai, K. R. P. Shroff and Jamnadas Morarjee shall be the Trustees of the Association for the several purposes hereinbefore expressed. A Trustee shall continue in office till he dies or becomes insolvent or leaves Bombay for ever or is removed or withdraws from the trust reposed in him and upon the happening of any of such events the Members of the Association shall at a duly convened Annual or Special General Meeting nominate and appoint a successor who shall thereupon be and become a Trustee in the room of such Trustee so dying, becoming insolvent, leaving Bombay, being removed from or relinquishing his trust as aforesaid; provided that none other than members of the native community of the Bombay Presidency shall be appointed Trustees.

Investments.

74. The Trustees for the time being shall, from time to time, on an application of the Board of Directors invest all monies belonging to the Association in securities of the Government of India or any Local Government, Port Trust Bonds, Municipal Bonds or such other securities authorised by law for investment of Trust funds or in houses and landed property in Bombay or by deposit at a fixed rate of interest or in current account with any reputable Bank or joint stock company as the said Board may direct or from time to time, as the said Board may direct, alter and transpose the funds or securities in and upon which the monies for the time being shall be invested; and any surplus funds which may from time to time be with the Treasurer may, at the direction of the said Board, in like manner be invested.

Receipts by Trustees.

75. The receipts of the Trustees for the time being for the purchase monies of any property held by the Trustees and sold by or on behalf of the Association shall be good and sufficient discharge to the persons paying or delivering such monies or effects for the monies or effect which in or by such receipt shall be expressed to be or to have been received and the persons paying or delivering such monies or effects and taking
such receipts as aforesaid shall not be obliged or required to see to the application of the same monies or effects or be answerable or accountable for the misapplication or non-application thereof.

Liabilities of Trustees.

76. A Trustee or Trustees for the time being shall not at any time be made liable for any more money than shall actually have come into his or their own proper hands or for the loss or variation in the price of securities or for the failure of any Bank or company or the dishonesty of any clerk or servant or other person with whom any part of the Trust property may be deposited or be placed in charge or be liable for any other than his own immediate and respective wilful acts, deeds and defaults and every such Trustee shall be at liberty from and out of all or any part of the Trust monies in the first place to reimburse himself all sums of monies, costs, charges, damages, expenses and demands whatsoever which he can, shall or may reasonably incur, bear, sustain or be put into in any manner howsoever by reason of or on account of his acceptance or execution of the Trust anything hereinbefore contained to the contrary thereof in anywise notwithstanding.

Deed of Trust.

77. The Board of Directors shall from time to time as occasion shall require cause a deed or instrument to be executed declaring the Trust upon which the Trustees hold or will hold any property of the Association vested in them and they shall do so on every appointment of any Trustee or Trustees and the said Board shall cause such of the property of the Association as shall be directed or intended by the General Meeting appointing such Trustee or Trustees to be vested in his or their name or names under his or their legal control jointly, with any continuing or other Trustee or Trustees or solely, as the case may be, to be so invested.

Appointment and duties of Auditor.

78. The Annual General Meeting shall appoint an Auditor and fix his annual remuneration. The Auditor so appointed shall examine the accounts of the Association, examine the securities and other investments of the funds of the Association and all the necessary vouchers and papers and make his report which with a Gujarati translation shall be submitted to the Annual General Meeting. Any casual vacancy in the office of the Auditor shall forthwith be filled by the appointment of another Auditor by the Board of Directors.
BOARD OF DIRECTORS.

Election.

79. (a) The Association shall in the month of December of every alternate year in the manner hereinafter provided, elect by ballot sixteen Members of the Association, designated the Board of Directors, to constitute the governing body of the Association. One month's previous notice of any such ballot shall be given by the Board;

Number of Members.

(b) The Association may in general meeting increase or reduce the number of the Members of the Board of Directors;

Officers.

(c) The said Board shall elect from its own body its President, Vice-President and Honorary Treasurer, who shall be the ex-officio President, Vice-President and Honorary Treasurer respectively of the Association.

Retiring Directors.

80. All the Members of the Board of Directors for the time being shall retire on the 31st December of every alternate year and all Members retiring shall be eligible for re-election.

Proposal of new Members.

81. Fifteen business days' notice previous to any election of the intention to propose any person not already a Member of the Board of Directors and eligible for election to the said Board must be given to the Secretary of the Association in writing, signed by two Members of the Association.

Notice of Candidates.

82. A notice containing the names of the persons on the Board of Directors willing to serve again and of all new candidates for election, their proposers and seconds shall be posted on the notice board of the Association for seven days previous to such election.

Invalid Election.

83. (a) If at any ballot for the election of Members of the Board of Directors no valid Election shall have been made, the Members retiring shall remain in office until a valid election;
k. words "nor shall he be entitled to give a smaller number of votes than the number of vacancies to be filled in" shall be added.
Fresh Election.

(b) In case no valid election be made, the said Board shall forthwith or as soon as may be practicable, fix a day for fresh election for Members of the said Board in accordance with the rules applicable to election.

Voting for Candidates.

(c) No member shall be entitled to give more than one vote to any particular candidate. In the case of an equality of votes the election shall be decided by the scrutineers by drawing lots.

Occasional vacancies.

84. (a) An occasional vacancy in the Board of Directors shall be filled by the Election by ballot by Members of the Association on a date fixed by the said Board not later than one month from the date of such vacancy. The surviving or continuing Members of the said Board, notwithstanding any vacancy in their number, may act until the vacancy shall have been filled, provided that such Members constitute a requisite quorum;

Limited powers of surviving Members.

(b) If such Members do not constitute a quorum they shall exercise the powers of the said Board only for the purpose of filling up such vacancies in accordance with the rules applicable thereto.

When ballot unnecessary.

85. When the number of candidates does not exceed the number of vacancies to be filled, no ballot shall be necessary and such candidates shall be deemed duly elected.

Scrutineers.

86. The Board of Directors shall appoint three Members of the Association not being Members of the said Board to act as scrutineers at elections and they shall report the result of the ballot to the Association and to the said Board.

Casual vacancy.

87. If a member of the Board of Directors be absent from the meetings of the said Board for a continuous period of three months without the leave of the said Board, the said Board may by a Resolution declare the seat of such Member to be vacated and may proceed to fill up the vacancy by the appointment of a Member of the Association eligible for election to the said Board.
Leave.

88. The Board of Directors may give any Member thereof leave of absence for a period not exceeding four months and the said Board may by a Resolution appoint any Member of the Association eligible to be elected a Member of the Board in the place of such Member for the duration of his leave.

Decision of Board.

89. All questions before the Board of Directors shall, where it is not otherwise specially provided by any rule for the time being in force, be decided by a Resolution of the majority of the Members present at the meeting of the said Board.

Members of five years' standing only eligible.

90. No Member shall be elected to the Board of Directors who is not a Member of the native community of the Bombay Presidency and who has not been for five years or more immediately preceding the day of his election, a Member of the Association.

Insolvents ineligible.

91. (a) No Member who has failed at any time to meet his liabilities in ordinary course on or outside the Market shall be eligible to be elected a Member of the Board of Directors;

Compounding with creditors.

(b) No Member who has on any occasion compounded with his creditors on or outside the Market shall be eligible to be elected a Member of the said Board.

Partners as Members.

92. No more than one member of a firm which carries on partnership in a firm name may be a Member of the Board of Directors at one and the same time.

Ordinary Meetings.

93. (a) The Board of Directors shall ordinarily meet once in every week on such day and at such time as the said Board may from time to time determine. The President of the Association may at any time call a special meeting of the said Board;
"Resolution by circular.

89 (b). A resolution in writing approved by not less than one-half of the total number of the members of the Board, unless a special majority is otherwise required by any rule for the time being in force, shall be as valid and effective as if it had been passed at a meeting of the Directors duly called and constituted."
Secretary may convene meeting.

(b) The Secretary of the Association may at any time call a special meeting of the said Board and shall call a special meeting on a requisition of two or more Members of the said Board;

Requisitionists may convene meeting.

(c) Should the said Secretary not call such meeting within twenty-four hours of the receipt of the requisition, such meeting may be called by the Members who signed the requisition or any two Members of the said Board.

Notice of special meeting.

94. (a) A notice calling a special meeting shall specify the purpose for which it is called and if the meeting is called at less than twenty-four hours' notice, the notice shall state the urgency of and the business to be transacted at the meeting and no other business shall be transacted at such meeting;

Emergent meetings.

(b) In case of emergency, one hour's notice of a special meeting shall be deemed sufficient notice, but the nature of the emergency shall be stated in such notice. The President or any two of the directors may convene such a special meeting.

Quorum.

95. The quorum of the Board of Directors shall be six Members present where it is not otherwise specially provided.

Adjourned meeting.

96. (a) The Board of Directors may from time to time adjourn any meeting and it shall be no objection to any Resolution passed or any decision arrived at an adjourned meeting of the said Board that all or any of those present thereat were not present at the former meeting or meetings or that any of those present at any former meeting or meetings were not present at any adjourned meeting;

Co-option of Members.

(b) When at a meeting of the said Board it is not possible to obtain the presence of a sufficient number of Members of the said Board to constitute the quorum required by any Rule for the time being in force, it shall be competent to those Members of the said Board who are present to co-opt as Members of the said Board for the purpose of that meeting, such
Members of any sub-committee as will with the Members of the said Board who are present constitute the requisite quorum and the members so co-opted shall for the purpose of that meeting be deemed members of the said Board.

_President to preside._

97. The President of the Association and in his absence the Vice-President shall preside at all meetings of the Board of Directors and shall in the case of an equality of votes have a casting vote in addition to the vote to which he is entitled as a Member.

_Minute Books._

98. (a) The Secretary of the Association shall keep a minute book in which shall be entered a full account of the proceedings at the meetings of the Board of Directors. The said Board may, subject to any Rules for the time being in force, regulate its own proceedings;

(b) A member shall have access to the minutes of the meetings of the Association but not to the minutes of the meetings of the Board of Directors or to the minutes of the meetings of any special or sub-committee unless such member is personally interested therein.

POWERS OF THE BOARD OF DIRECTORS.

_Rules._

99. The Board of Directors may, subject to the sanction of the Governor in Council as provided in the Bombay Securities Contracts Control Act, by a Resolution from time to time make, add to, vary or rescind any Rule or Rules of the Association; and unless such Resolution be rescinded by the Association in Extraordinary General Meeting in the manner provided in Rule 67, such Resolution shall be deemed valid eight days after the posting of a copy of such Resolution upon the notice board of the Association:

Provided always that nothing shall be done whereby a Member other than a member of the native community of the Bombay Presidency shall be or be deemed competent to be a Member of the said Board or a Trustee of the properties or funds of the Association.

_General powers of the Board._

100. The management of the business and the control of the Association and the management and control of the properties and funds
of the Association and of its income and expenditure shall, subject to the rules of the Association, vest in the Board of Directors which in addition to the powers and authorities expressly conferred by any Rule for the time being in force, may exercise all such powers and do all such acts and things as may be exercised or done by the Association in general meeting assembled and which are not expressly required to be so exercised and done, and more particularly and without prejudice to any power or authority generally or expressly conferred by any Rule for the time being in force, the said Board is specially authorised subject to any rule for the time being in force, to do any of the following acts or things or exercise any of the following authorities or powers, namely.

Brokerage.

(a) to make and from time to time alter the scale of charges for brokerage on all transactions for the sale and purchase of stock, shares and like securities;

Disputes.

(b) to decide all questions and disputes affecting Members in making, settling or closing of bargains and in their conduct towards each other or towards third parties;

Expenses.

(c) to defray from the funds of the Association all expenses incurred by or on behalf of the Association in the promotion of its objects, provided that it shall not be competent to the said Board to contribute any money to public bodies or to individuals or to distribute the funds among the Members without the consent of the majority of Members of the Association at a special general meeting;

Litigation.

(d) to commence, prosecute and defend all such actions, suits and proceedings, civil or criminal, as the said Board may consider necessary and the same to compromise or to submit to arbitration and to make, give, sign and execute all documents in that behalf;

(e) to issue from time to time orders;
Holidays.

(i) closing the Market on days other than or in addition to the holidays prescribed by the Rules;

Settlement.

(ii) fixing, altering or postponing ordinary settling days or days for buying-in and selling-out or days and hours for the payment of differences or for the delivery of and payment for securities;

Permission to deal.

(iii) granting or refusing special settlements or admission to dealings in the Market either for cash or for the settlement or permission for dealings in new issues;

and from time to time cancel or modify such orders;

Resolution of the Board not to be rescinded by Association.

(f) It shall not be competent to the Association to rescind, alter or vary any Resolution passed by the Board of Directors under the powers or authority conferred upon the said Board by the provisions of this Rule or under any other Rule for the time being in force, unless it is otherwise expressly provided, and all such Resolutions shall, when they come into force, be deemed valid and binding upon all Members.

Validity of Resolution.

101. A Resolution of the Board of Directors shall not, save as is otherwise provided in these Rules, be deemed valid or come into force until eight working days after it has been posted on the notice board of the Association, unless it be a Resolution which relates to the admission, expulsion or suspension of Members or their authorised clerks, the declaration or readmission of defaulters, settling disputes between Members or between Members and their constituents, fixing, altering or postponing ordinary settling days or days for buying-in or selling-out and days and hours for the payment of differences, granting or refusing special settlements, permission for dealing in shares, closing the Market, suspension of forward dealings and buying-in and selling-out rules and declaring making up prices, the appointment, suspension or dismissal of the paid officers and servants of the Association, when it shall come into force when it is passed, unless any such Resolution requires confirmation when it shall come into force when it is confirmed:
Provided that the Board of Directors may in case of urgency, the reasons whereof shall be shown in the minutes of its proceedings by a Resolution in which nine Members of the said Board concur, direct that any Resolution of the said Board be deemed valid and come into force forthwith.


102. Every Member of the Association shall immediately report to the Board of Directors any violation by any Member of any Rule of the Association which may come under his notice. Any report so made to the said Board or to the Secretary of the Association shall be deemed privileged and confidential.

SECRETARY OF THE ASSOCIATION.

Secretary not an active Member.

103. The Board of Directors shall appoint a paid Secretary and if necessary paid Assistant Secretary of the Association, but such Secretary or Assistant Secretary shall not be an active Member of the Association. The Secretary or Assistant Secretary shall not, under the penalty of dismissal, be a party to or concerned in any speculative dealing with any Member of the Association.

For the purpose of these Rules the term Secretary includes Assistant Secretary.

Minute Books.

104. The Secretary shall, unless otherwise ordered by the Board of Directors, attend all meetings of the Association or of the said Board or of sub-committees and shall keep in Gujarati proper minutes of the proceedings of all such meetings.

Secretary to control staff.

105. The Secretary shall, subject to any regulation or direction of the Board of Directors, have general charge and control over the servants of the Association and of all books, papers and registers belonging to the Association.
Correspondence.

106. The Secretary shall conduct all correspondence on behalf of the Association and the Board of Directors and shall perform such other duties as the said Board may direct. He shall countersign all cheques for the payment of money.

Members to give Information to Secretary.

107. All Members of the Association and their clerks shall give to the Secretary all such information as he may, by direction of the Board of Directors, require for the purposes of the Association or of the said Board. All such Members and their clerks shall attend such meetings of the said Board or any sub-committee as the Secretary may request them to attend.

HONORARY TREASURER.

Subscriptions and receipts.

108. The Honorary Treasurer of the Association shall recover and receive all subscriptions, donations and all other monies due to the Association and shall give receipts for the same. Such receipts shall be signed by the Treasurer and countersigned by the President or by a Member of the Board of Directors specially named in that behalf by a Resolution of the said Board.

Countersignature by President or a Member of the Board.

109. (a) The President of the Association or a Member of the Board of Directors shall be entitled to countersign such receipts by virtue of the previous signature of the Treasurer and shall incur no personal liability by reason of such countersignature;

Expenses and accounts.

(b) The Treasurer shall defray out of the funds in his charge all expenses incurred on behalf of the Association in accordance with the directions of the said Board conveyed to him through the Secretary of the Association and shall keep a full and detailed account of all receipts and disbursements. He shall keep a full and detailed account of the income and expenditure and of the funds and investments of the Association. He shall submit his accounts to the said Board when required and his accounts shall be open to the inspection of the Members at such time and place as the said Board may appoint;
Financial Statement and Balance Sheet.

(c) The Treasurer shall prepare the annual statement of income and expenditure and the Balance Sheet to be laid before the Annual General Meeting and the same shall be published annually for the information of the Members of the Association.

SUB-COMMITTEES.

Arbitration Committee.—Defaulters' Committee.

110. The Association shall every alternate year at their Annual General Meeting elect for the more efficient and harmonious working of the affairs of the Association and for the carrying out of the objects of the Association the following sub-committees:

(i) Arbitration Committee;
(ii) Defaulters' Committee.

The Association may in general meeting from time to time increase or reduce the number of members of any sub-committee.

Rules applicable to elections.

111. The Rules relating to the election of Members of the Board of Directors shall so far as may be and so far as it is not otherwise provided, apply to the election of the members of a sub-committee.

Chairman and Honorary Secretary.

112. A sub-committee shall immediately after its election elect from its own body its Chairman and Honorary Secretary.

Retiring Members.

113. (a) All retiring members of a sub-committee shall be eligible for re-election;

To continue in office.

(b) All retiring members of a sub-committee shall continue in office until their successors are validly elected.

Casual Vacancy.

114. A casual vacancy on a sub-committee shall be filled by the appointment of a Member of the Association by the Board of Directors and the Member so appointed shall retain office till the next election and shall be eligible for re-election.
Removal of Member.

115. The Association may by a Resolution passed by a majority of three-fourths of the Members present at a meeting specially summoned for the purpose at which not less than one hundred Members shall have been present remove a member of a sub-committee from such committee.

Quorum.

116. A sub-committee may from time to time determine its own quorum, provided that such quorum shall not be less than one-third of the total number of the members of such sub-committee.

Minutes.

117. True and proper minutes of the proceedings of all meetings of a sub-committee shall be kept in Gujarati.

Leave and temporary appointment.

118. A member of a sub-committee who is likely to be absent from Bombay for a period exceeding three months shall give intimation to the Secretary of the sub-committee and such intimation shall be placed before the sub-committee at its next meeting. The sub-committee may thereupon either declare the seat of such member vacated, when such vacancy shall be filled by the Board of Directors in the manner provided in these Rules, or the sub-committee may appoint a Member of the Association to act on the sub-committee in the place of the absent member. The member so appointed shall vacate office on the return to Bombay of the absent member. A member absenting himself from Bombay for a period exceeding three months without giving intimation shall be deemed to have vacated his seat.

ARBITRATION COMMITTEE.

119. The Arbitration Committee shall consist of sixteen members.

Disputes to be referred to arbitration.

120. All disputes between Members of the Association arising out of any transactions made subject to the Rules of the Association, which are not otherwise amicably adjusted, shall be referred to the Arbitration Committee in the manner hereinafter provided.

Application for Arbitration.

121. Whenever a dispute which according to these Rules must be referred to the Arbitration Committee arises between any Members of the
Claims for Dividends.

When a claim for dividends, rights, bonus, etc., is made on the registered holder, by a party who has failed to transfer a certificate of share, he being then the registered holder and standing as such from the claimant, a written statement must be given by the holder of the certificate at the time of the closing of the books, and guarantee against any future demands for the same must be provided.
Association, any Member who is a party to such dispute may apply to the Arbitration Committee to enquire into and arbitrate in the dispute and shall pay a fee of eight annas.

Appointment of arbitrators.

122. (a) Whenever any such dispute is referred to the Arbitration Committee, it shall be heard by two of its members acting as arbitrators with reference to such dispute;

Notice.

(b) The Secretary of the Committee shall give both parties to the dispute not less than two days' notice of the time and place appointed for the arbitration;

Both parties present.

(c) If both parties to the dispute are present at the appointed time and place, the arbitrators shall proceed to hear the reference and to give the award;

Ex parte decision and Summary disposal.

(d) If the party against whom complaint is made is not present at such time and place the arbitrators may hear and decide the dispute ex parte, and if the party making the complaint is not present the arbitrators may dismiss the reference summarily.

Disagreement between arbitrators.

123. If the arbitrators hearing a reference are not agreed as to the award to be made, they shall refer the dispute or such part thereof in respect of which they cannot agree to a third member of the Arbitration Committee and the three members shall then together arbitrate in the dispute and the award of any two of them shall be deemed the award in the arbitration.

Late claims barred.

124. The Arbitration Committee shall not take cognizance of any dispute which shall not be referred to them within three months from the date when it arose.

Appeal to Arbitration Committee.

125. (a) A party to a dispute who is dissatisfied with any award of the appointed arbitrators may appeal to the Arbitration Committee against such award within seven days of the receipt by him of such award;
Statement of objections.

(b) The party so appealing shall state his objections to the award in writing and shall deposit with the Secretary of the Association in cash the full amount ordered to be paid in the award and a fee of rupees two and shall annex to his appeal a certificate of the said Secretary that such amount and fee have been deposited; and the Arbitration Committee shall not entertain an appeal to which such certificate is not annexed;

Certificate of payment.

(c) When such certificate is annexed to the appeal, the Arbitration Committee shall itself proceed to hear the appeal and arbitrate in the dispute;

Certain Members may not vote.

(d) The Members of the Arbitration Committee who have made any award against which an appeal is made to the said Committee may attend the meetings of the said Committee at which the appeal is heard but shall not be entitled to vote.

Award of Committee final in certain cases.

126. (a) The award of the Arbitration Committee in a dispute shall be final and shall be deemed binding on all Members of the Association and upon such of their constituents as have in the form prescribed in Appendix I to these Rules or in such other form as the Board of Directors may from time to time prescribe, submitted to the arbitration of the Association, if the sum involved in such dispute is less than rupees one thousand;

Appeal to Board.

(b) If the sum involved in such dispute is rupees one thousand or more, the party dissatisfied with the award of the Arbitration Committee may appeal against such award to the Board of Directors within seven days of the award;

Written objections and certificate.

(c) A party appealing to the said Board shall state in writing the objections to the award of the Arbitration Committee and shall deposit with the Secretary of the Association in cash the full amount ordered to be paid in such award and a fee of rupees five and shall annex with his appeal a certificate of the said Secretary that such amount and fee have
provided that no member
thereof who shall not have been
been deposited; and the said Board shall not entertain an appeal to which such certificate is not annexed;

Decision of Board final.

(d) When such certificate is annexed to the appeal, the said Board shall proceed to hear the appeal, and the decision of the said Board shall be deemed binding and final on all Members of the Association and on all the constituents of such Members who have in the Form prescribed in Appendix I to these Rules or in such other form as the said Board may from time to time prescribe, submitted to the arbitration of the Association.

Members interested not to attend.

127. A party to a dispute who is a member of the Arbitration Committee or the Board of Directors shall not attend any meeting of the said Committee or of the said Board at which enquiry into the dispute is made or at which an appeal is heard.

Adjourned meetings.

128. It shall be no objection to an award of the Arbitration Committee or of the Board of Directors that the meeting at which a dispute was enquired into or an appeal was heard was adjourned from time to time or that the enquiry was not completed or that the appeal was not finally heard at one meeting, or that the same members of the said Committee or said Board were not present at all meetings or that the members of the said Committee or said Board who gave the final award were not present at all the meetings at which enquiry into the dispute was made or an appeal was heard.

Summary dismissal.

129. (a) If any Member who is a party to a dispute and who has appealed against any award to the Arbitration Committee or to the Board of Directors is not present at the time fixed for hearing the appeal, the said Committee or the said Board as the case may be may dismiss the appeal summarily;

appeal ex parte.

(b) If any Member who is a party to a dispute and in whose favour an award has been made is not present at the time fixed for hearing the appeal against such award by the said Committee or the said Board, the said Committee or said Board may proceed to hear the appeal ex parte.
Rehearing ex parte award.

130. The Arbitration Committee may, on sufficient cause being shown, on payment of a fee of rupees five, set aside an award made by the arbitrators or by the said Committee ex parte and direct the reference or the appeal to be again enquired into or heard.

Extension of time.

131. The Board of Directors may for special reasons extend the time in which a reference for arbitration or an appeal against any award of the arbitrators or the Arbitration Committee may be made.

Expulsion of Member.

132. A Member who fails or refuses to submit to or abide by or carry out any award of the arbitrators or the Arbitration Committee or the Board of Directors as the case may be, shall be expelled from the Association by a Resolution of the said Board.

Fees.

133. A party to a dispute against whom an award is finally made shall pay all fees payable to the Association in the course of the arbitration.

THE DEFAULTERS' COMMITTEE.

Constitution.

134. The Defaulters' Committee shall consist of six members.

Declaration of default.

135. (a) A Member who has failed to fulfill or is unable to fulfill his engagements or to meet his obligations or liabilities arising out of any transactions made subject to the Rules of the Association or who has failed to submit his clearance sheets (Forms I and II) shall be declared a defaulter in the open Market by direction of the President of the Association or any two Members of the Board of Directors;

Application for Declaration.

(b) Such declaration shall be made on application in writing to the Secretary of the Association, signed by a creditor of the defaulter or on receipt of complaint from the Clearing House that default has been made in submitting clearance sheets (Forms I and II).
Penalty for default.

136. (a) A Member who has been declared a defaulter shall at once cease to be a Member of the Association;

Insolvent a defaulter.

(b) A Member who has been adjudicated an insolvent shall be declared a Defaulter and shall at once cease to be a Member of the Association.

Defaulter's Books, Accounts.

137. When a Member has been declared a defaulter, the Defaulters' Committee shall take charge of all his books of accounts, documents, papers and vouchers to ascertain the state of his affairs and the defaulter shall hand over such books, documents, papers and vouchers to the said Committee.

List of Debtors and Creditors.

138. (a) The defaulter shall file with the Defaulters' Committee within fifteen days of the declaration of his default a written statement containing a complete list of his debtors and creditors and the sums owing by and to each;

Statement of accounts.

(b) The defaulter shall submit to the Defaulters' Committee such statement of accounts, information and particulars of his affairs as the said Committee may from time to time require and shall attend all meetings of the said Committee held in connection with his default and all meetings of his creditors.

Enquiry.

139. The Defaulters' Committee shall enter into a strict enquiry into his accounts and into his dealings in the Market and shall report to the Board of Directors anything improper, unbusinesslike or unbecoming a Member in connection therewith which may come to their knowledge.

Defaulter's assets.

140. (a) The Defaulters' Committee shall recover all monies, shares, securities and other assets due, payable or deliverable to the defaulter (whether an insolvent or not) by any other Member and such assets shall, if not contrary to the provisions of any law for the time being in force, vest in the Defaulters' Committee for and on account of the creditor Members of the Association;
Distribution.

(b) The Defaulters' Committee shall pay all such assets into such Bank and in such names as the Board may from time to time direct and shall distribute the same as soon as possible pro rata among the creditor Members of the Association whose claims are admitted in accordance with the Rules;

Payments to Defaulters' Committee.

(c) All monies, shares, securities and other assets due, payable or deliverable to the defaulter must be paid or delivered to the Defaulters' Committee within thirty days of the declaration of default. A Member violating this Rule shall be declared a defaulter.

Open contract with defaulter.

141. All Members having contracts made subject to the Rules of the Association with a defaulter shall on the declaration of default without unnecessary delay, close all outstanding contracts by purchase or sale as the case may be in the open Market.

Claim against defaulter.

142. (a) Within a fortnight of the declaration of default every active Member having an account with the Clearing House shall send to the Secretary of the Defaulters' Committee either a statement of his accounts with the defaulter or a certificate that he has no such account. The Defaulters' Committee shall not entertain any claim against a defaulter which is not made within one month of the declaration of default;

Delay in submission of accounts.

(b) The Secretary of the Defaulters' Committee shall call upon any such Member failing to send such statement or certificate within the time prescribed, to send such statement or certificate within one week;

Report of delay.

(c) The said Secretary shall report to the Board of Directors the name of any such Member who fails to send such statement or certificate within the time herein prescribed.

Penalty for failure to submit account.

143. (a) The Board of Directors may by a Resolution fine, suspend or expel any Member who fails to submit a statement of his accounts with
"contract between a member and such defaulter"

"contract between a member and such defaulter"

"nor shall it entertain any claim against a defaulter, in respect of any contract unless a comparison shall have been made by initialling the entries as provided in rule 198 or a contract note shall have been rendered as provided in rule 189 and receipt for the same obtained either on the duplicate or counter-part of such contract note or in the peon's book stating the date and number of the contract rendered."
the defaulter or certificate that he has no such account within the time prescribed in Rule 142;

Misleading statement.

(b) The said Board may by a Resolution fine, suspend or expel a Member when the said Board is satisfied that any such statement or certificate sent by such Member was false or misleading.

Accounts of Defaulters' Committee.

144. (a) The Defaulters' Committee shall keep a separate account in respect of all monies, shares, securities or other assets payable to a defaulter and which are received by them and shall defray therefrom all costs, charges and expenses incurred in or about the collection of such assets or in or about any proceedings taken by them in connection with the default;

Report.

(b) The Defaulters' Committee shall every six months present a report to the Board of Directors relating to the affairs of a defaulter and shall show the assets realised, the liabilities discharged and dividends given;

Inspection of accounts.

(c) All accounts kept by the Defaulters' Committee in accordance with the Rules shall be open to inspection by any Member.

Application of Assets.

145. (a) The Defaulters' Committee shall apply the net assets remaining in their hands after defraying all such costs, charges and expenses referred to in Rule 144 in satisfying rateably the claims of all Members against such defaulter arising out of any transaction or dealing in the Market made subject to the Rules of the Association;

Certain claims not to be entertained.

(b) The Defaulters' Committee shall not entertain any claim against a defaulter which does not arise out of any transaction or dealing made subject to the Rules of the Association.

Deferred claims.

146. (a) In distributing the assets of a defaulter the following claims shall not rank against the defaulter's estate until all other claims have been satisfied in full. All such claims subsisting in favour of the defaulter shall be enforced and the assets arising therefrom shall be
distributed amongst the creditor Members in the same way as other assets collected by the Defaulters’ Committee; but a Member having any of the following claims against a defaulter shall not be entitled to set off such claims against any monies due by him to the defaulter but shall pay such monies to the defaulter in full and prove all such claims as a deferred creditor:

(1) claims arising from bargains for cash delivery made more than twenty-one days previous to the declaration of default;
(2) claims arising from differences which have been allowed to remain unpaid for more than seven business days beyond the day on which they have become due;
(3) claims arising from a loan of money made upon securities;
(4) claims upon a Promissory Note.

Differences due.

(b) Differences due to or from a defaulter on the Current Settlement are to be set off against those due on the following Settlement. Such set off is not to be made until the differences are payable.

Fraudulent preference.

147. A Member who shall have received a difference on an account or shall have received any consideration in any transaction prior to the date fixed for settling such account or transaction shall in the event of a default of the Member from whom he received such difference or consideration refund the same to the Defaulters’ Committee for the general benefit of the creditors; and any Member who shall have paid or given such difference or consideration to any other Member prior to such settling day shall again pay or give the same to the Defaulters’ Committee in the event of the default of such other Member.

Claims of Defaulters’ Committee.

148. A claim of one defaulter whose estate is represented by the Defaulters’ Committee against another defaulter shall not have any priority over the claims of other creditors but shall rank with other claims.

Prior Claims.

149. A claim of the Association or the Clearing House against the estate of a defaulter shall be prior to the claims of other creditors.
Note shall not be barred by the Law of Limitation and was accepted by way of arrangement or compromise made by the defaulter with his creditors with the sanction of the Board of Directors, it shall be added.
Proceedings in name of Defaulter.

150. (a) The Defaulter's Committee with the consent of the creditors of a defaulter shall be entitled to take any proceedings in a court of law either in their own names or in the name of the defaulter as they may be advised for recovering any assets of the defaulter which they are entitled to recover under these rules;

Payment to Defaulters' Committee.

(b) If any Member takes any proceedings in a court of law to enforce any claim against a defaulter's estate arising out of any transaction or dealing in the market made subject to the rules of the Association, and obtains a decree and recovers any sum of money thereon, he shall pay such amount to the Defaulters' Committee.

Defaulter's failure to settle.

151. (a) A defaulter who fails within six months from the date of his default to settle with his creditors as provided in these rules may on a recommendation of the Defaulters' Committee be declared by the Board of Directors to forfeit to the Association his Card or right of Membership which shall include any rights to the use of or claim upon or interest in the property or funds of the Association and the said Board may deal with or dispose of the Card in the manner provided in Rule 42;

Extension of time.

(b) The said Board may extend the time during which a defaulter may settle with his creditors for a period not exceeding one year and at the expiry of such time the said Board may deal with the Card of the defaulter in the manner provided in Rule 42.

Composition scheme by defaulter.

152. (a) When a defaulter proposes to make a composition for the payment of his debts or a scheme for the arrangement of his affairs, he must lodge a signed proposal with the Secretary of the Association, setting out the terms of such composition or scheme and particulars of any sureties or securities proposed;

Acceptance of composition.

(b) The said Secretary shall then hold a meeting of the creditors. If the creditors whose claims equal or exceed in value three-fourths of the claims admitted by the Defaulters' Committee accept such composition or
scheme, the same shall be deemed binding on all the creditors of the defaulter;

Defaulters' Committee to accept composition.

(c) If a defaulter succeeds in settling with his creditors and obtains from them receipts or releases in full of their claims, against him and if the Defaulters' Committee as representing the estate of another defaulter be one of the creditors of the defaulter so settling, the Defaulters' Committee shall accept the settlement accepted by the other creditors.

General notice of dividend.

153. (a) Not less than seven days before declaring a dividend the Defaulters' Committee must post on the notice board of the Association a notice of their intention;

Separate notice.

(b) On the expiry of this notice, the Defaulters' Committee must give a separate notice to each creditor whose claims they have admitted;

Dividend by cheque.

(c) Dividends for amounts exceeding rupees twenty shall be paid by cheques on any local Banks approved by the Board of Directors;

Cheque by post.

(d) A creditor may have his dividend cheque sent by post at his own request and risk.

Unclaimed dividend.

154. If any dividend remains with the Defaulters' Committee unclaimed for more than one year or where after paying a final dividend any assets of the defaulter remain unclaimed or undistributed, the same shall be paid into the funds of the Association.

Unclaimed dividend means a dividend which has been declared on claims admitted by the Defaulters' Committee but which the Member entitled (except in the case of a Member who shall have died) has failed or neglected to claim.

Deceased Creditors.

155. If a Member who is a creditor of a defaulter be dead, the dividend due to such Member shall be paid to his legal representative. But if the creditor himself be a defaulter the dividend due shall be paid to the Defaulters' Committee for the benefit of his creditors.
Readmission of Defaulters.

156. The Board of Directors in its discretion may by a Resolution readmit, subject to the following rules, a Member who has been declared a defaulter.

Twice a defaulter.

157. A defaulter shall not be eligible for readmission.

(a) if he has been declared a defaulter on a previous occasion, unless he shall have, through the Defaulters’ Committee satisfied his debts in full;

Non-disclosure.

(b) if he has failed to disclose the names of his creditors; or

Non-delivery of accounts.

(c) if he has not within fifteen days from the date of the declaration of default delivered to the Defaulters’ Committee his original books and accounts and a statement of the sums owing to and by him on any transaction or dealing in the market made subject to the Rules of the Association.

Defaulter to pay one-fourth loss.

158. A defaulter shall not be eligible for readmission who shall not have paid from his own resources at least one-fourth of the amount of loss he has incurred whether on his own account or on account of constituents on any transaction or dealing in the Market made subject to the Rules of the Association.

Payment in full.

159. A defaulter shall be readmitted by the Board of Directors upon the report of the Defaulters’ Committee that all his debts and liabilities have been bona fide discharged in full within six months from the date of the declaration of default.

Readmission of Insolvent.

160. A Member, who, as an insolvent, has been declared a defaulter, shall not be eligible for readmission until he shall have paid sixteen annas in the rupee or the petition has been withdrawn.
Application for Readmission.

161. (a) A defaulter applying for readmission shall prove to the satisfaction of the Defaulters’ Committee that he has obtained from his creditors receipts or releases in full of all their claims against him and shall at the same time submit to the Board of Directors a list of his creditors, a statement of the sums owing by him and the nature of the settlement in each case;

Report of Defaulters’ Committee.

(b) The Defaulters’ Committee shall report to the said Board upon the application of the defaulter and the said Board shall then take the application into consideration.

Notice to be Posted.

162. A notice of every application by a defaulter for readmission shall be posted on the notice board of the Association for at least fifteen days previous to his readmission.

Objections to Readmission.

163. Any Member or any other creditor intending to object to the readmission of the defaulter shall communicate the grounds of his objection to the Board of Directors by a letter within fifteen days of the date of the posting of the notice of the application for readmission. All such objections shall be deemed privileged and confidential.

Rejection of Application for Readmission.

164. If an application for readmission by a defaulter be rejected by the Board of Directors or if no such application be made within six months of the declaration of default, the Card or right of Membership of the defaulter shall be disposed of by the said Board and the proceeds of the same thereof shall be dealt with in the manner provided in Rule 42.

Assignment of Claims on Defaulters’ Estate.

165. A Member being a creditor of a defaulter shall not sell, assign or pledge his claim on the estate of such defaulter without the consent of the Board of Directors.

Defaulter as Clerk.

166. A Member may apply for the admission of a defaulter as his clerk in the Settling Room but no such clerk shall be allowed to enter the Market to effect bargains as an authorised clerk.
Business with Defaulter forbidden.

167. A Member shall not carry on business for or with a defaulter before his readmission to the Association.

LIABILITIES AND ARREARS.

Liabilities of Past Members.

168. A Member who shall for any reason cease to be a Member of the Association shall nevertheless remain liable for and shall pay to the Association all monies which at the time of his ceasing to be a Member shall have been due by him to the Association.

Failure to pay Dues.

169. (a) If a Member fails to pay his annual subscription or any other money which may be due by him to the Association within a period of two months after the same shall have become due, the Secretary of the Association may by notice in writing request payment of the same, the notice shall appoint the day and place for payment;

Suspension.

(b) If the requisitions of such notice be not complied with, the Board of Directors may by a notice on the notice board of the Association suspend such Member until he shall have paid his dues and such Member shall remain suspended and be debarred from exercising any of the rights and privileges of a Member until by a further notice upon the notice board of the Association the suspension shall have been revoked;

Further Notice.

(c) If such Member shall not within one year of his suspension pay his dues, the said Board shall direct a further notice to be served upon him requesting him to pay his dues within two months of the service of the notice at the time and place therein prescribed;

Expulsion.

(d) If the requisitions in such further notice are not complied with, the said Board may by a Resolution passed by a majority of three-fourths of the Members of the said Board direct the name of such Member to be removed from the list of Members of the Association and thereupon such Member shall cease to be a Member and shall be deemed to have
been expelled. Notice of such Resolution shall be posted forthwith on the notice board of the Association;

Readmission.

(c) The said Board may on an application of a Member whose name has been removed under the provisions of this Rule, within one year of his removal and on cause being shown to the satisfaction of the said Board, rescind its Resolution by a like majority.

BARGAINS IN THE MARKET.

Members only parties to bargains.

170. (a) The Association does not recognise as parties to any transaction or dealing in the Market any parties other than its own Members; and every such transaction or dealing whether for the account of a Member or for the account of a constituent must be made and carried out according to the Rules and Regulations of the Association made subject to the provisions of the Bombay Securities Contracts Control Act, 1925;

All bargains subject to Rules.

(b) All contracts made by a Member with another Member for the purchase or sale of stocks, shares and like securities in which dealings have been permitted shall in all cases be deemed made subject to the Rules of the Association made subject to the provisions of the Bombay Securities Contracts Control Act, 1925.

Havala.

171. (a) Contracts for crossing stock, shares and like securities, that is, for Havala, confirmed by both Members on behalf of a constituent at the rate agreed by initialling the relevant entries in their books, shall not be cancelled or modified by any subsequent default (either of the Members or) of the constituent; but each shall be responsible to the other for due fulfilment of the contracts. In the absence of Havala price confirmed and initialled as above, the official making-up price shall be binding on both Members;

Havala among Members.

(b) Contracts for Havala among Members themselves shall be at the official making-up price;
"Where a member accepts a Havala on behalf of his constituent it shall be, unless otherwise agreed upon by them in writing, at the risk and on account of the constituent who shall be deemed to indemnify the member accepting such Havala against any loss suffered by him by reason of his having accepted the Havala."
Non-acceptance of Havala.

(c) A Member shall not be bound to accept the Havala on behalf of his constituent.

Dealings in certain Securities forbidden.

172. All transactions and dealings in stock, shares and like securities in which permission for dealings has not been granted by the Board of Directors are forbidden and a Member who shall execute any order with a Member or non-Member for the purchase or sale of any such securities shall be suspended or fined by a Resolution of the said Board.

Fictitious dealing.

173. Fictitious transactions or dealings in the Market are forbidden and the Member who shall give or execute an order for the purchase or sale of securities which to his knowledge would involve no change of ownership shall be deemed guilty of disgraceful and dishonourable conduct and may be suspended or expelled by a Resolution of the Board of Directors.

Rumours.

174. A Member who engages in reckless or unbusinesslike dealings in the Market or in any manner circulates rumours of a sensational character shall be deemed guilty of disgraceful and dishonourable conduct and may be suspended or expelled by a Resolution of the Board of Directors.

Admission to Market.

175. (a) Only Members and their authorised clerks shall be permitted to enter the Market for the purpose of transacting business;

Visitors.

(b) Visitors shall not be admitted to the Market except by the permission of the President of the Association or a Member of the Board of Directors.

Dealings with clerks prohibited.

176. A Member shall not transact any business or make any bargain for anyone in the employment of another Member and any business transacted or any bargain made by a Member with a clerk of another Member shall be for the account of such Member.

“176. A member shall not transact any business with or execute any order for an authorized clerk except for and on account of his employer.”
Bargains with individual members of firms.

177. A Member shall not transact any business or make any bargain on behalf of any Member who is in partnership with another Member or Members and the partnership firm shall not be liable for any business transacted or any bargain made by a Member in the name of one only of the partners of the firm.

Speculations for Secretary.

178. A Member shall not transact any speculative business for the Secretary of the Association.

Bargains by suspended Member.

179. A Member who has been suspended shall not be entitled to transact any business or make any bargain in the Market, nor shall he be entitled to attend any meeting of the Association.

Brokerage for non-Members.

180. (a) A Member shall not execute an order with a non-Member without charging such non-Member the usual brokerage;

Dealings with Members of other Associations forbidden.

(b) A Member of the Association shall not under any circumstances whatever directly or indirectly enter into any transaction relating to stocks, shares and like securities with any stock and share broker who is a Member of any other Association in Bombay dealing in stocks, shares and like securities, nor shall he divide brokerage with such broker.

Constituent in default.

181. A Member shall not transact business for a constituent who to his knowledge is in default to another Member, unless such constituent shall have made a satisfactory arrangement with the Members who are his creditors.

Bargains for current Settlement.

182. Unless it is otherwise specified, all bargains made in stocks, shares and like securities admitted to forward dealings, shall be deemed made for the current Settlement.

Bargains for ensuing Settlement.

183. No bargains made for a period beyond the current and ensuing Settlements will be recognised and all such bargains shall be deemed void. The Board of Directors shall fix every month a date from which a bargain for the ensuing settlement may be made.
same time the selling-out rule with respect to all unsettled contracts in such security or securities. The liability of intermediaries shall continue during such suspension. The buyer shall, however, be entitled to enforce delivery at any of such settlements. If the buyer after issuing tickets (Kapli) for taking delivery fails to take up and pay for all or any of such securities on Pay Day, a penalty of 2% on the making-up price shall be imposed upon him irrespective of any other liability. If the seller fails to give such delivery, the buyer shall be entitled to buy-in and it shall not be necessary to open the market for such buying-in.

(b) It within 15 minutes of the time fixed for the special meeting three-fourths of the total number of members of the Board are not present the members present shall co-opt as provided in rule 96 (b);

(c) When the Board extends the time for payment under sub-clause (a), the Board shall by a resolution

(1) fix from time to time the making-up prices for such securities. For the first settlement such making-up prices shall be slightly higher than the prices of such securities prevailing in the market prior to the suspension of business. For each subsequent settlement the Board may reduce the making-up prices as they may deem fit in case of each security but in no case such reduction shall exceed 5% of the previous making-up prices. All contracts remaining unsettled at the end of each settlement shall be carried over to the following settlement at such making-up prices. All accounts shall be adjusted with such making-up prices and the differences shall be payable on the Pay Day fixed for the settlement;

(2) fix from settlement to settlement budlee gala (contango) for such securities determined on the basis of interest at a rate not less than 6% nor more than 9% per annum on such making-up prices payable by the buyer to the seller.

(d) Members shall render contract notes as provided in rule 189 to non-members in respect of each such carry-over and shall be entitled to charge brokerage not exceeding one half of the usual rate prescribed in Appendix G.

(e) If a member is declared a Defaulter, all members having dealings with him may close all outstanding contracts either forthwith at the making-up prices fixed by the Board and shall give immediate notice of the same in writing to the Defaulters’ Committee, or by purchase so as, as the case may be, in the market on the day of its re-opening.

(f) If a constituent fails to pay on the Pay Day the differences due by him to his broker the latter may close all outstanding contracts either at any time thereafter in his discretion during the time such constituent is in default at the making-up prices fixed by the Board or by purchase or sale as the case may be in the market on the day of its re-opening and any balance due on such closing shall be immediately payable by such constituent to his broker.”
Forward bargains in non-listed securities.

184. No bargain made for the Settlement in stocks, shares and like securities not admitted to forward dealings will be recognised and all such bargains shall be deemed void.

Purchase and sale of Dividends.

185. Offers to buy or sell prospective dividends are forbidden.

Option business.

186. Option business is prohibited.

Daily official list.

187. A daily official list of opening and closing prices shall be issued by the Secretary and put up on the Notice Board after business hours.

"Panic or Bear Raids.

188. (a) In the case of panic or bear raids or reckless heavy sales or when prices of securities are unduly depressed in a crisis the Board may by a resolution of not less than one half of the total number of members of the Board at a special meeting at which not less than three-fourths of the total number shall have been present

(1) suspend all further dealings in such security or securities for such period as the Board may from time to time decide;

(2) extend the time for payment of the securities to the next settlement and if necessary to the following settlements provided that the sanction of Government shall be obtained before the time for payment is extended beyond a period exceeding the next two settlements, and suspend at the

Contract Notes and Brokerage.

Contract notes and Brokerage.

139. (a) Members shall render contract notes to non-Members in respect of every bargain made for such non-Member's account, stating the price at which the bargain has been made. Such contract notes shall
contain a charge for commission at rates according to the scales prescribed in Appendix G annexed to these Rules. Such contract notes shall be in one of the forms prescribed in Appendix H annexed to these Rules and shall bear the stamp provided by the law for the time being in force;

Net Contracts.

(b) Members may issue net contracts without showing brokerage separately should their constituents so desire, provided commission is not exceeding with the prescribed scale is charged and provided such contract notes state that the commission is allowed for in the price. Such contract notes shall be in one of the forms prescribed in Appendix H annexed to these Rules;

Contracts by Principals.

(c) In cases where a Member is buying or selling his own securities or acts in the capacity of a principal with the constituent, that fact shall be clearly stated on the contract note; in such case no commission shall be charged. Such contract notes shall be in form B prescribed in Appendix H annexed to these Rules;

(d) No contract note not in one of the printed forms in Appendix H shall be deemed to be valid.

Contracts for Budlee.

(e) A member may render contract notes in Form A prescribed in Appendix H even if he employs his own resources in carrying forward the purchases of his constituent from one settlement to another.

Bargains between non-Members.

190. A Member may receive brokerage from more than one principal on a transaction carried through directly between two non-Members; and in such case the contract note shall state that the bargain has been made between non-Members.

Budia transactions.

191. In cases of Budia transactions, the seller shall not be entitled to claim the identical securities.

Brokerage on calls.

192. A Member buying shares and prepaying calls thereon may charge brokerage on the purchase price with the amount of such calls added.
Unwarrantable business.

193. A Member shall not transact any business for a constituent which in its nature or extent appears beyond the means of such constituent.

Sub-Brokers.

194. (a) Members shall not divide brokerage with, nor transact business at net prices for a non-member in the purchase or sale of Securities dealt in on this Association if such non-member acts as a broker in Bombay for others and passes his own contracts or advertises his business;

(b) A Member may remunerate a non-Member who is not an outside broker with a share not exceeding one-half of the usual commission charged to the principal he introduces.

COMPARISON OF CONTRACTS.

Comparison of contracts.

195. It shall be the duty of Members with a view to prevent mistakes to compare each contract in the Settlement Room on the business day next after the bargain was made.

Discrepancies in bargains.

196. If during comparison a difference in the respective contracts of the parties be discovered and if such difference be not adjusted by mutual agreement within twenty-four hours, the party intending to make a claim against the other must forthwith close the transaction in the open Market by purchase or sale as the case may be so as to determine the amount of damages to be claimed and the dispute shall then be referred to the Arbitration Committee.

Failure to compare.

197. If a Member fails to compare his contracts in accordance with the Rules and if a difference which would have been discovered on such comparison is subsequently discovered, the Member failing to comply with the rule shall not be entitled to call for performance of the contract except as it appears in the books of the other party to the transaction.
Transaction Books.

198. A comparison of contracts shall be made by Members or the authorised or unauthorised clerks of such Members initialing the entries in the transaction books.

PAYMENT AND DELIVERY.

Delivery of Transfers.

199. (a) In all ready delivery contracts the necessary transfer forms duly signed by the transferor and witnessed shall be delivered by the seller to the buyer before 5 p.m. on any business day or before 3 p.m. on Saturday, but not later than the seventh day from the day of sale. When transfer forms are not so delivered, securities may be bought in by the buyer in the manner provided in these Rules;

Denomination of Transfers.

(b) Unless otherwise agreed at the time of sale, the buyer is entitled to require from the seller transfer forms in the following lots; but he must accept delivery of one or more certificates representing the total number of shares in each bargain:

- Each transfer of 50 shares if the face value does not exceed Rs. 10.
- Each transfer of 25 shares if the face value exceeds Rs. 10 and does not exceed Rs. 25.
- Each transfer of 10 shares if the face value exceeds Rs. 25 and does not exceed Rs. 50.
- Each transfer of 5 shares if the face value exceeds Rs. 50 and does not exceed Rs. 100.
- Each transfer of 1 share if the face value exceeds Rs. 100.

Delivery of Shares.

200. (a) Delivery of shares sold must be made by the seller on the seventh day after the day on which the transfer forms were delivered and before 1 p.m. on that day. If delivery of shares is not so made, the shares may be bought in by the buyer in the manner provided in these Rules;

(b) In all transactions of contributory shares the buyer shall return to the seller the transfer form duly executed by the transferee on the seventh day after the day on which the transfer form was delivered. If the transfer form is not so returned within the said period the shares may be sold out by the seller in the manner provided by these rules.
Delivery of Shares in part.

201. The buyer shall not be required to pay for shares presented after 1 p.m. on the day fixed for the delivery of shares by Rule 200 (c). He must accept and pay for all or such of the shares bought which may be delivered within the time prescribed and he may buy in any shares not delivered in accordance with the provisions of these Rules.

Non-payment for Shares.

202. If a buyer fails to take up and pay for shares delivered in the manner provided in these Rules, the seller may sell out the same in the manner provided in these Rules.

Damages.

203. In every case, the Member in default shall be liable for any damages which may arise from such buying-in or selling-out and the Member who fails to pay such damages shall be declared a defaulter by the Board of Directors.

BUYING-IN AND SELLING-OUT.

In open Market.

204. Buying-in and selling-out must be effected by the Secretary of the Association in the open Market during the official business hours save as otherwise provided in these rules. Only Members may make a bid or offer.

When securities may be bought-in or sold-out.

205. (a) Securities (including new issues) may be bought-in or sold-out on failure to comply with any Rule of the Association applicable to delivery or payment or on any failure to carry out any special conditions subject to which bargain for cash was made;

Until 30 days.

(b) Buying-in or selling-out may be effected on the day following failure to make payment or give delivery of transfer or securities in accordance with the Rules or on any day thereafter not later than the thirtieth day after such failure;

Forfeiture of right.

(c) A Member who fails to exercise his right to sell-out or buy-in in the manner provided in this Rule shall forfeit all right of recourse
against the Member in default, unless it shall appear that such Member has not exercised his right on the written request of the other Member;

Delay in buying-in or selling-out.

(d) If the buying-in or selling-out is not effected within the period prescribed in this Rule and if the Member buys-in or sells-out at a later date and satisfies the Arbitration Committee that it was impracticable to buy-in or sell-out earlier than he did, the Arbitration Committee may allow damages on the footing of the rates at which the securities were bought-in or sold-out or at such other rates as the Arbitration Committee may determine.

Buying-in and selling-out when forbidden.

206. The shares of a company shall not be bought-in or sold-out while its transfer books are closed for payment of dividend or bonus or the receipt of calls or for any other reason.

Notice of buying-in and selling-out.

207. Notice in writing signed by the Secretary of the Association of the intention to buy-in or sell-out securities must be delivered at the office of the Member in default and if such notice be not so delivered, the buyer or the seller as the case may be shall not be entitled to buy-in or sell-out or claim damages. The provisions of this Rule shall not apply to the buying-in or selling-out effected by the Association in the course of clearance through the Clearance House.

Tender by seller before notice.

208. (a) The buyer must accept and pay for the securities at any time prior to the actual exercise of his right to buy-in;

Tender by seller after notice.

(b) If the buyer has issued notice of his intention to buy-in securities for default in delivery and if the seller before the securities have been bought in makes a proper tender of such securities, the buyer must accept and pay for such securities;

Tender by buyer before notice.

209. (a) The seller must accept payment and deliver securities at any time prior to the actual exercise by him of his right to sell-out;
Tender by buyer after notice.

(b) If a seller has issued notice of his intention to sell-out securities for default in payment and if the buyer tenders payment before the securities are sold-out, the seller must deliver the securities and accept payment.

Securities bought-in but undelivered.

210. (a) Securities bought-in and not delivered on the next business day may be again bought-in for immediate delivery without further notice and any loss shall be paid by the Member causing such further buying-in.

Securities sold-out and not paid for.

(b) Securities sold-out and not paid for the next business day may be again sold out for immediate payment without further notice and any loss shall be paid by the Member causing such further selling-out.

Bid by buyer or seller barred.

211. A Member for whose account the buying-in or selling-out is effected shall not be permitted to make a bid or offer.

Notice of damages.

212. A Member buying-in or selling-out securities must within two days of the buying-in or selling-out give notice of the same to the Member in default and claim damages, if any, arising therefrom. The Member on whose account the buying-in or selling-out is effected shall notwithstanding that he is in default be entitled to the difference or profit which may arise by the buying-in or selling-out on his account, as the case may be.

SETTLEMENT OF CONTRACTS.

Nature of payment.

213. When securities are delivered, the party delivering the securities shall have the right to require the purchase money to be paid in cash against delivery on due date in accordance with the Rules:

Provided that when delivery is made through the Clearing House payment shall be made in accordance with the Rules relating to the Clearing House.

Delivery and payment postponed.

214. Securities of a company shall not be delivered and payment shall not be claimed while the transfer books of the company are closed.
Settlement on re-opening of Transfer Books.

215. All contracts due for settlement when the transfer books of the company are closed shall be settled on the day when the transfer books re-open.

Contracts due on holidays.

216. All contracts due for settlement on holidays shall be settled on the business day next following.

No deduction from purchase price.

217. A party to a contract receiving securities shall not be entitled to deduct from the purchase price any sum due to or any damages claimed by such party.

Deduction of Dividends.

218. The buyer is entitled when paying for shares on which a dividend, interest, bonus etc. has been declared and for which the transfer books of the company were closed before delivery to deduct the dividend, interest, bonus etc. declared.

Stamp and Transfer Fees.

219. Stamp duties payable to Government and fees charged by a company registering transfers of shares and known as "transfer fees" shall be paid by the buyer.

Settlement in Settlement Room.

220. The buying Member or one of his clerks shall be present in the Settlement Room for the purpose of receiving transfer of shares and making payment for shares and securities; and the selling Member shall not be obliged to deliver the shares and receive payment at the office of the buying Member.

DIVIDENDS AND RIGHTS.

Buyer entitled to Rights.

221. The buyer shall be entitled to receive all interest, dividends, bonus, rights and privileges which may appertain to shares bought and for the payment or declaration of which the transfer books shall have closed during the pendency of the contract.

Dividends and Rights.

222. All transactions in shares shall be ex-dividend from the day on which interest or dividend is payable; they shall be ex-rights from
221 (b). In all transactions for debentures, the seller is entitled to the interest till the date of payment; but if the seller fails to deliver the debentures within seven days from the date of sale interest shall cease."
the latest day fixed for the receipt of applications for rights by the
company; but all transactions before that day shall be cum-dividend and
cum-rights, provided that shares admitted by the Board of Directors to
settlement shall be quoted cum-rights to the day fixed by the said Board
but thereafter transactions shall be made ex-rights.

Liabilities of Members.

223. Members shall not be personally liable between themselves for
interest, dividends, bonus or rights on shares sold by them when such
shares were delivered by them not less than four working days before
the closing of the books of the company to enable the buyer to get the
shares transferred to his name; but nothing in this Rule shall affect
the rights and obligations of buyers and sellers between themselves as
constituents or principles, for the recovery of such interest, dividends,
bonus or rights.

Application for Rights.

224. The buyer is entitled to new shares issued in right of old,
provided that he specially claims the same in writing from the seller
not later than 1 p.m. on the second day preceding the latest day fixed
for the receipt of applications by the company.

Letters of Renunciation.

225. Rights are to be settled by letters of renunciation when
practicable. When proper letters of renunciation are delivered or tendered
to the buyer before 2 p.m. on the day preceding the latest day fixed
for the receipt of applications, the seller shall be relieved of all further
liability in respect of all such rights. A Member shall not be bound to
accept letters of renunciation not tendered within the time provided
in this Rule.

Non-delivery of letters of Renunciation.

226. If the settlement of claims to rights be not made by letters
of renunciation by reason of the failure of the seller to deliver such
letters within the time prescribed in Rule 225 the seller shall bear any
extra expense of transfer, provided that when no letters of renunciation
are issued or recognised by the company, the expenses of transfer
shall be borne by the buyer.

Payments of Rights.

227. When letters of renunciation are not issued, all payments
as and when required by the company are to be advanced to the seller
by the buyer who may demand a receipt for the same and the seller shall be deemed a trustee for the buyer of such payments.

Temporary Settlement.

228. When securities are sold cum-rights and are delivered after the closing of the transfer books for rights and when a new security cannot be obtained by letters of renunciation, the Board of Directors shall fix a price which may be deducted by the buyer from the purchase money of the old securities. The buyer shall pay this price, namely, the balance due on the contract when the seller delivers the new securities at any time on or before the day fixed by the Board of Directors for the settlement of rights.

DOCUMENTS AND REGISTRATION.

Regularity and genuineness of documents.

229. (a) A Member who receives payment against delivery of all necessary documents shall be responsible to the Member to whom the same are delivered for a period of fifteen days from the date of delivery for their regularity and genuineness except in the case of fraud or bad faith on the part of such Member. After the expiry of fifteen days, the liability of the Member who delivered the documents shall cease and the Arbitration Committee or the Board of Directors shall not entertain any complaint in respect of the regularity or genuineness of any document so delivered;

Liability of constituents.

(b) Nothing in this Rule shall affect the liability of the constituent (which term shall in cases where a Member has dealt on his account include such Member) from whom the Member may have received the document in any action at law or in any other proceedings. The provisions of this Rule shall apply only to the rights and obligations of Members between themselves. The Member who delivered the document shall however be bound to render every assistance to the buyer in any proceedings he may take against the seller.

Replacement of irregular documents and Refund.

230. If within the prescribed period of fifteen days a Member to whom the documents are delivered gives intimation in writing to the Member who delivered them of his objections to their regularity or genuineness, the Member who delivered them shall within a week from
"Regularity and Genuineness of Documents.

229 (a). A Member who receives payment against delivery of all necessary documents either on his own account or on behalf of his constituent shall be personally responsible to the Member to whom the same are delivered for their regularity and genuineness provided the documents are lodged with the company for registration within 15 days of the date of receipt of such documents by him. If the documents are not lodged within the prescribed period of 15 days the liability of the Member who receives payment on behalf of his constituent shall cease except in the case of fraud or bad faith on the part of such Member."

"Replacement of Irregular Documents and Refund.

230. If a member to whom the documents are delivered gives intimation in writing to the Member who delivered them of his objection as to their regularity or genuineness as soon as they come to his knowledge, the Member who delivered them shall within a week from the date of such intimation remove any irregularity or establish the genuineness of the documents as the case may be, or deliver other and regular and genuine documents, but in the event of such Member failing to deliver such other documents, he shall refund on return of the documents the monies paid against such documents, provided that the documents were lodged for registration within 15 days from the receipt thereof as provided by rule 229 (a)."
the date of such intimation remove any irregularity or establish the genuineness of the documents, as the case may be, or deliver other and regular and genuine documents, and the Member failing to deliver such other documents shall refund on return of the documents the monies paid against such documents.

*Refund does not cancel contract.*

231. (a) A refund of the price on the return of documents shall not operate as cancellation of the contract and if the selling Member within a period of fifteen days from the refund tenders to the buying Member regular and genuine documents, the buying Member shall be bound to accept such documents in fulfilment of the original contract and pay the purchase price;

*Buying-in on non-tender.*

(b) If the selling Member fails to tender such documents within such period the buying Member shall be entitled to buy-in the Securities against him as provided in Rule 205 and claim the damages, if any.

*Sale not conditional on transfer.*

232. Save as is provided in Rule 237 a sale of shares is not conditional on the company transferring the shares into the name of the buyer. The only obligation on the seller on the sale of shares is to tender delivery of the necessary certificates with a properly executed transfer. Such seller shall not be deemed to guarantee that the company will transfer the shares into the name of the buyer and shall incur no liability by reason of the refusal of the company in exercise of the power vested in it under the Articles of Association to transfer such shares.

*Fresh transfer on refusal of company.*

233. When a company objects to a transferee and refuses to register a transfer on the ground of such objection, the transferor shall on request and on the original transfer being presented to him for cancellation of his signature, sign a fresh transfer.

*Payment of calls.*

234. (a) The purchaser shall pay every call or contribution which becomes payable after delivery of the certificate and transfer.

*Failure of purchaser to pay.*

(b) If the purchaser fails to make such payment and the seller is compelled to pay the same, the seller shall be entitled to recover the same
from the purchaser, notwithstanding that the purchaser applied to the company to transfer the shares and that the Directors of the Company refused the transfer.

Payment of calls by selling Member.

235. A selling Member may previous to delivery pay any call made on securities although not due, and may claim the sum paid from buying Member.

Liability of Broker on calls.

236. No Member shall, subject to the provisions of Rule 235 in respect of any bargain made by such Member on behalf of a principal and as Broker only, be deemed personally liable or responsible in any way to any party for the payment of calls made by a company subsequent to delivery and payment.

Refusal by Company to transfer on account of lien.

237. The provisions of Rules 232 and 234 shall not apply where the company refuses to transfer the shares on the ground that the shares are subject to a lien on account of any debt or liability of the transferor; and if the transfer is refused on that ground the selling Member shall within seven days of his being called upon to do so by the buying Member either release the shares from such lien or give other shares free of lien, and if the selling Member fails to effect such release or to give such shares, the buying Member shall be entitled to rescind the sale and recover the price paid and damages for any loss sustained. In the case of every such share, the buying Member shall be entitled to the benefit of this rule provided he has applied to the Company to have the share transferred within fifteen days of the date of the delivery of such share.

Company in liquidation.

238. If a company be wound up at the date of the contract or between the date of the contract and the due date of payment, the seller is entitled to recover from the purchaser the purchase money and any contribution or call required to be paid even though the Liquidator refuses to consent to the transfer. If the buyer cannot get the shares transferred to his name, the seller shall, if required to do so by the buyer and at the buyer's cost, assign his title to and his rights in the shares sold to the buyer and shall execute a Power of Attorney in favour of the buyer to enable him to recover any dividends becoming payable after the date of the contract in respect of the shares bought.
Dispute after Registration.

239. When the official receipt or certificate of registration has been given by the company, neither the selling Member nor the buying Member shall be responsible to the buyer for any subsequent dispute as to the title.

HOURS OF BUSINESS.

Entrance.

240. The Brokers' Hall shall be open to Members on every business day at 10 a.m. and shall remain open till 6 p.m. except on Saturdays when it shall remain open till 4 p.m.

Hours of business.

241. (a) The hours of forward business in the Market shall be from 12 noon to 3 p.m. on all working days and 12 noon to 2 p.m. on all Saturdays or such other hours as may be fixed by a Resolution of the Board of Directors from time to time;

Opening and closing of Market.

(b) The opening and closing of the hours of forward business shall be announced by the ringing of a bell and a warning bell shall be rung fifteen minutes before the closing.

Business in certain hours forbidden.

242. No bargain for the account shall be made before or after the hours fixed for forward business in accordance with the provisions of Rules 241 and 372 and a Member who shall make any bid or offer or enter into any contract or transaction contrary to the provisions of this Rule or on Sundays or Holidays may be suspended or fined by a Resolution of the Board of Directors, provided that bargains for cash in stocks, shares and like securities not admitted to the forward list may be made at any time between 12 noon and 5 p.m.

Extending or curtailing of business hours.

243. The Board of Directors may by a Resolution extend or curtail the business hours on any particular day, provided that if it be not possible to obtain a quorum of the said Board, the President of the Association with the concurrence of the majority of the Members of the said Board who are present, may exercise the power conferred upon the said Board by this Rule.
Closing in Crisis.

244. (a) The President shall have power in a grave crisis or emergency to stop immediately dealings in the shares of any company or even to close the exchange by ringing the bell, subject to the confirmation of the Board within twenty-four hours. In either of these events, the Secretary shall convene a meeting of the Board of Directors within half an hour of such closing;

Copy of Resolution to be sent to Government.

(b) A copy of the Resolution of the said Board under this Rule together with the reasons for it shall be sent to the Government of Bombay in the Finance Department within twenty-four hours of the passing of such Resolution;

Period of closing extended.

(c) The Board may at a special meeting by a majority of two-thirds of the members present extend the period in clause (a) up to a maximum of five business days.

Holidays.

245. The Market will be closed on the following days, namely all Sundays, all Bank holidays declared by the Government of Bombay under the Negotiable Instruments Act and the Association’s holidays, namely:—

Holi (1 Day besides Bank holiday for Holi Padmini).
Mahavir Jayanti.
Chaitri Punam.
Adar Jassan.
21st Day of Ramzan.
Ashadi Ekadashi.
Ashadi Chomasu (Swetamber) at 2 p.m.
Ashadi Chomasu (Sthanak Vasi) at 2 p.m.
Kadmi Pateti.
Ramzan Id (one day extra if it falls on day other than Bank Holiday.)
Mokarrum (one day extra if it falls on day other than Bank Holiday)
Shri Mahavir Swami’s Birthday celebrations (Swetamber).
Shri Mahavir Swami’s Birthday celebrations (Sthanak Vasi).
Samvatsari (Sthanak Vasi).
Fourth Gatha.
"The Board of Directors may by a resolution passed at a meeting at which not less than three-fourths of the total number shall have been present cancel from time to time any of the Association's holidays for a particular year."
Amardad Sal.
Farvardigan Jassan at 2 p.m.
Dhanteras.
Kali Chawdas.
Kartiki Poonam.
Solar Eclipses.
Christmas (24th December to 31st December).

Additional Holidays.

246. The Board of Directors may by a Resolution declare any day other than the days specified in Rule 245 an additional holiday and direct the Market to be closed upon that day.

DEALINGS IN NEW AND OTHER ISSUES.

Permission necessary.

247. (a) No dealings whether for cash or for the account in the shares or securities of any company will be allowed unless permission for such dealings shall have been given by the Board of Directors;

Amalgamation or Reorganisation.

(b) Permission is not necessary for dealings in new issues arising from the reorganisation or amalgamation of companies in the shares or securities of which dealings have already been allowed.

Grant or Rejection of Application.

248. The Board of Directors shall consider and may in their discretion grant or reject any application for the admission of the shares or securities of a company to dealings on the market, provided that no application for such admission shall be granted unless the requirements and conditions hereinafter set out shall be complied with, provided however that the Board of Directors may by a resolution passed by a majority of two-thirds of the members present at a meeting dispense with the strict enforcement of this rule for the purpose of cash transactions only.

Application how to be made.

249. (a) Application for admission to dealings must be made to the Secretary of the Association in writing by the Secretary of the company or by a Member of the Association who desires permission for dealings in the shares or securities of such company;
Notice of Application.

(b) The said Secretary shall place any such application on the notice board of the Association for the information of Members for one week previous to its consideration by the Board of Directors.

Information to be furnished.

250. A Member who applies for permission for dealings in the shares or securities of any company must furnish the Board of Directors with all such full and authentic information and all such particulars as the said Board may require.

Vendor's Securities.

251. No dealings shall be allowed in the shares or securities issued by a company to vendors and credited as fully or partly paid until six months after the date on which permission has been granted for dealings in shares or securities of a like class or description issued to the general public. For the purpose of this Rule, shares or securities issued as fully or partly paid to a person or persons or firm or corporation in consideration of the sale or transfer of property or in consideration of services rendered in the formation or promotion of the company shall be deemed vendor's shares or securities.

Conditions of admitting Shares and Securities of companies to dealings.

252. The Board of Directors shall not allow dealings in shares or securities of a company unless—

Transfer Books open for Registration.

(a) The company notifies the Association that its transfer books have been opened for registration;

Notice to company of Settlement days.

(b) The company agrees not to close its transfer books during days fixed by the Association for Settlement and of which three months' notice shall have been given by the Association to the company;

Articles of Association.

(c) The Articles of Association contain the following provisions:

(i) that none of the funds of the Company shall be employed in the purchase of or in loan upon the security of its own shares;

(ii) that the borrowing powers of the Board of the Company's Directors are limited;
and there shall not be any restriction on the transfer of fully paid shares " shall be added.

"and in the case of contributory shares the company may have a lien only for all monies called or payable at a fixed time in respect of such shares."
(iii) that the non-forfeiture of dividends is secure;
(iv) that a common form of transfer shall be used
(v) that fully paid shares shall be free from all lien;

Fair allotment.

(d) (i) A new Company desirous of issuing the full number of
authorised shares or securities or, part thereof shall have invited applica-
tions from the public and shall have allotted to the public fairly and
unconditionally at least 33 per cent. of the number of shares or securities
issued in equal proportion as to class or kind. For the purpose of this
Rule, vendor's shares or securities shall not be considered to form part of
such public allotment;

Compliance with conditions of fair allotment.

(ii) If the Company satisfies the Board of Directors that the
Company invited applications for at least 33 per cent. of the shares or
securities issued, for a period of not less than eight days and that the
public did not apply for 33 per cent. of the number of shares or securities
issued and that in consequence less than 33 per cent. of such shares or
securities have been allotted to the public, the Company shall be deemed
to have complied with the provisions of this Rule;

Different classes.

(iii) In the case of a proposed issue consisting of two or more
classes, the failure to allot the shares or securities of any class or classes
in the proportion herein prescribed shall disqualify such class or classes
for admission to dealing;

Dealing in bonus shares.

(iv) Dealings shall be allowed in the shares or securities of a new
Company which have been issued by an existing Company already ad-
mitted to dealings and which has given such shares or securities as bonus
to its own shareholders; and the provisions of this Rule prescribing the
allotment of a proportion of shares or securities to the public shall not
apply to such shares or securities;

Registration.

(e) The Company shall have been registered under the Indian
Companies Act and its prospectus shall have been filed with the Registrar
of Joint Stock Companies in India and a copy of the prospectus thus filed
shall have been advertised in newspapers published in Bombay;
Prospectus.

(f) The prospectus shall have been advertised in the public press and the public subscription list shall have been kept open for at least four days;

Information.

(g) The following particulars shall have been supplied to the Association in writing by the Secretary of a new Company under his signature, namely, Articles of Association and in the case of a debenture issue a copy of the Trust Deed, the number of shares allotted to vendors and their distinctive numbers, the number of shares offered to the public, the number of shares applied for by the public and the number of shares allotted to the public unconditionally pursuant to such applications and the proportion of the allotment, the total number of allottees and the largest number of shares applied for by and allotted to any one applicant. Where the whole of the capital has not been issued at the time when shares are offered for subscription, the Company shall state whether the unissued shares are vendor's shares or are held in reserve for future issue;

Splitting of share certificates.

(h) The Company shall have undertaken to split up the share certificates in lots as required by a shareholder who holds a certificate for a larger number of shares.

Increase of Capital.

253. When a Company intends to increase its capital by an issue of new shares or securities, fifteen days notice of such proposed increase must be given to the Association by writing under the signature of the Secretary of the Company before such new shares or securities may be admitted to dealings on the market. The tender for delivery of such new shares or securities shall not be valid on the contract for the shares or securities of such Company unless such new shares or securities shall have been admitted to dealings.

FORWARD LIST.

Conditions of admission to Forward dealings.

254. (a) The Board of Directors in their discretion, have power to admit the shares of any particular Company (except the shares of a Bank)
"Reports and Changes in Directorate.

252 (i). The Company shall have undertaken

(1) to forward to the Association copies of Statutory and Annual Report and Accounts as soon as issued; as well as

(2) to notify the Association of any changes in the Directorate by death, resignation or removal."
"(6) The Company agrees to pay an annual fee in respect of the Clearing Charges, if required."

"Provided that the Board of Directors may by a resolution passed by not less than three-fourths of the total number of Directors admit to dealings for Account and Settlement under this rule the shares of a company which has not complied with condition 3 but which shall have been incorporated for not less than three years previous to the date of its application for the admission of its shares."

"For breach or non-compliance with any of the conditions of the foregoing clauses" shall be substituted.
to dealings for the Account and Settlement provided that the following conditions are complied with:

(1) the Company undertakes to maintain an office in Bombay for registering the shares in the name of the transferee and to use the common form of transfer;

(2) all the shares are fully paid up;

(3) the Company shall have paid to the shareholders dividends for the three years last preceding their application;

(4) the Company undertakes to split up its share certificates in the lots required by a shareholder who holds a certificate for a larger number of shares;

(5) the Company undertakes to close its transfer books on such days as may be convenient to the Association for the purpose of Settlement and on the days of which the Company shall have had three months' notice;

Resolution admitting to Forward dealings.

(b) A Resolution of the Board of Directors admitting the shares of Company to the Account and Settlement must be passed by a majority of two-thirds of the Members present at a meeting of the said Board specially summoned and at which not less than three-fourths of the total number of the Members shall have been present.

Withdrawal of permission to deal.

255. The Board of Directors may by a Resolution passed by a majority of three-fourths of the Members present at a meeting specially summoned at which not less than three-fourths of the total number of the Members of the said Board shall have been present after one month's notice in writing has been served upon the Company, for reasons to be recorded in the minutes of the said Board, remove such share either from the list of shares admitted to cash or forward dealings or from both as the case may be.

GENERAL RULES.

Decision by Majority. Members interested not to vote.

256. (a) Any question before the Board of Directors or any sub-committee shall be decided by the votes of the majority of the Members
present at a meeting unless a specified majority is required by any Rule for the time being in force but no Member of the said Board or sub-committee shall be competent to vote on any question in which he is personally interested. The Chairman of the meeting shall be the final judge of whether any such Member is so interested within the meaning of this Rule;

(b) Any question decided by the Board of Directors or any sub-committee shall not be reconsidered by the said Board or the sub-committee until the expiry of a period of six months from the date of such decision.

Members and clerks to attend meetings if required.

257. Members and their clerks shall attend such meetings of the Board of Directors or of any sub-committee as they may be directed by the said Board or sub-committee through the Secretary of the Association or the sub-committee to attend, and all such Members and their clerks shall give all such information within their power relative to any matter before the said Board or sub-committee.

Members not to be employed by Non-Member.

258 (a) An active member shall not accept employment in any capacity from any one who is not a member of the Association without first obtaining the consent of the Board of Directors, which may be given or withheld by the Board at its discretion;

Present Employees.

(b) Any active member who may have been so employed when these Rules came into force shall ask the consent of the Board of Directors within one month of the date on which this rule shall come into force;

Expulsion as Penalty.

(c) The decision of the Board of Directors, that an active member is so employed without its consent, shall be final and such member shall thereupon be expelled by a resolution of the said Board.

Members not liable for clerk's borrowing of money.

259. A Member authorising a clerk to transact business shall not be held answerable for money borrowed by the clerk with or without security unless he shall have given special authority for that purpose.
Investigation of charges and complaints.

260. The Board of Directors shall have the power to investigate and to give a decision between Members upon all charges affecting the character or dealings of any Member.

Board need not give reasons.

261. Save where it is otherwise provided in these Rules, it shall not be necessary to the Board of Directors to give any reason for any of their proceedings or decisions, and save where the said Board is required by the provisions of these Rules to record in their minutes the reasons or circumstances of any proceedings or decision, all information obtained by the said Board shall be deemed confidential.

Members to produce books.

262. (a) The Board of Directors may by a resolution passed by a majority of two-thirds of the Members present at a meeting, call upon any Member of the Association to submit to the said Board or to the said sub-committee such of his books and papers as may appear to the said Board or said sub-committee relevant and material to any matter under investigation by the said Board or said sub-committee;

Members to give information.

(b) A Member who shall refuse or neglect to comply with any such direction of the said Board or sub-committee or shall wilfully destroy any book or paper which has been directed by the said Board or said sub-committee to be produced before them or who on being served with a notice by the Secretary of the Association or sub-committee to appear before the said Board or said sub-committee refuses to appear and to give to the said Board or said sub-committee all information in his power relative to the subject matter of the enquiry, shall be deemed guilty of disgraceful or dishonourable conduct and may be suspended by a Resolution of the said Board in the manner prescribed in these Rules.

Legal advisers forbidden.

263. A Member of the Association shall not be entitled to be represented by a professional legal advisor in any investigation before the Board of Directors or any sub-committee.

Immunity of Directors.

264. The Board of Directors shall in no way, either collectively or individually, be held liable by any Member of the Association for any
act or omission by them or by any officer of the Association or of the said Board, done or omitted to be done in good faith in discharge of their duties.

**Indemnity of Directors, officers and servants.**

265. All Members of the Board of Directors and any officer or servant of the Association shall be fully indemnified by the Association out of its funds for anything done or omitted to be done by them in good faith in discharge of their duties.

**Frivolous complaints.**

266. The Board of Directors or any sub-committee may fine any Member by whom or at whose instance any complaint or charge has been made or by whom any dispute has been brought before them if the said Board or sub-committee is of the opinion that such charge, complaint or dispute was frivolous, vexatious or malicious.

**Complaint by non-Member.**

267. If a non-Member shall make any claim or complaint against a Member, the Board of Directors shall, in the first place, consider whether such claim or complaint is fit for their adjudication and in the event of their deciding in the affirmative, the non-Member shall previously to the case being heard by the Arbitration Committee sign the form of reference prescribed in appendix I to these Rules.

**Death of Member.**

268. (a) When a Member dies, all his debts and other obligations and claims arising out of any transaction entered into or any contract made subject to the Rules of the Association and to the extent the same shall have been admitted by the Board of Directors, shall be paid and satisfied by his legal representatives before the transfer of his Card or right of Membership;

**Satisfaction of debts.**

(b) If the legal representatives of any such Member shall be unable to pay and satisfy such debts, obligations and claims, the Card or right of Membership shall be disposed of by the said Board and the proceeds thereof shall be applied in the following order of priority to the following purposes, namely:

**Insufficient assets.**

(1) The payment of all debts, fines, monies and other charges due and payable by such Member to the Association or the Clearing House;
(2) The payment and satisfaction of all debts, obligations and claims arising from all transactions-entered-into and contracts made subject to the Rules of the Association and to the extent that such claims shall be admitted by the said Board; and if the proceeds of the Card shall not be sufficient to pay and satisfy such debts, obligations and claims in full, they shall be paid and satisfied pro rata;

Debts on Promissory Notes.

(3) The payment and satisfaction of all debts, obligations and claims arising out of transactions-entered-into or contracts made subject to the Rules of the Association in respect of which a promissory note shall have been passed, provided that such note shall not be barred by the Law of Limitation;

Surplus and indemnity.

(4) The payment to the legal representatives of any surplus upon the execution by them of such release or indemnities the said Board may require.

Business of deceased Member.

269. If on the death of a Member his legal representatives desire that his business should be continued for some time for their benefit by any specified person who is eligible for Membership and intimate their desire by a letter to the Secretary of the Association, it shall be within the discretion of the Board of Directors to permit such business to be carried on by such person on behalf of the legal representatives of the deceased Member for such period as the said Board may determine.

Death of creditor Member.

270. On the death of a creditor Member and the transfer of his Card or right of Membership, his legal representatives shall be entitled to share in the assets of the debtor Member in the same manner and to the same extent as if such creditor Member had not died and his Card or right of Membership had not been transferred.

Fines and Penalties.

271. The Board of Directors shall have the power to fix the amount of any fine or penalty imposed by the said Board upon a Member.
Credited to Association.

272. All fines and penalties levied upon Members shall be credited to the funds of the Association.

Advertisement.

273. No Member is allowed to advertise.

List of Members.

274. The Secretary of the Association upon an application in writing shall forward a list of Members to the applicant.

Correspondence.

275. All communications to the Association or the Board of Directors or any sub-committee or any official of the Association shall be made in writing and shall be signed, and no action need be taken upon any anonymous communications.

Notice to Members.

276. A notice to the general body of the Members of the Association may be published by posting such notice bearing the date of posting upon the notice board of the Association and every Member shall be deemed to be affected by such notice immediately after it has been posted.

President to preside.

277. (a) The President of the Association shall preside at any meeting of the Association, Board of Directors or sub-committee which he may attend and shall have in each case a casting vote in addition to the vote to which he is entitled as a Member;

Vice President.

(b) The Vice President shall, in the absence of the President of the Association assume all the functions and exercise all the powers and discharge all the duties of the President;

Acting President.

(c) If there be no President or Vice President or in the temporary absence or inability of both to act, the Board of Directors may choose from their own body an acting President of the Association for the time being.
"278 (b). A constituent shall pay to his broker all sums which
his broker is liable to pay on behalf of his constituent and such payment
must be made in time to enable the broker to comply with the provisions
of the rules relating to such payment."
RIGHTS AND LIABILITIES OF BROKERS AND CONSTITUENTS.

Constituent to deliver securities sold.

278. (a) A constituent shall deliver to his Broker any security which his Broker having sold for him is liable to deliver and such delivery by the constituent to his Broker must be made in time to enable the Broker to comply with the provisions of the Rules relating to such delivery;

Constituent’s failure to deliver.

(b) A constituent who fails to make such delivery shall forthwith pay any loss which his Broker may incur for or on account of such failure.

Constituent to pay Broker.

279. (a) A constituent shall pay to his Broker before 11 a.m. on the Pay Day fixed by the Board of Directors all sums which the Broker is liable to pay on behalf of his constituent on account of dealings for the current Settlement;

Broker may close account.

(b) A Broker may close the account of any constituent who fails to make such payment either forthwith or at any time thereafter in his discretion during the time such constituent is in default and any balance due on such closing shall be immediately payable by such constituent to his Broker.

Death of constituent.

280. A Broker may forthwith or at the earliest practicable date close all open transactions on account of a constituent who has died and the balance due on such closing shall be payable on the ensuing Pay Day.

Account of Bankrupt.

281. A Broker may forthwith or at the earliest practicable date close all open transactions on account of the constituent who becomes bankrupt or insolvent or makes or attempts to make a composition with his creditors or with any of them or who shall have given any admission or intimation or indication of the fact that he will be unable to fulfil his obligations, and the balance on such closing shall be payable on the ensuing Pay Day.
Broker may sell-out or buy-in.

282. A Member who closes the account of a constituent under Rules 279, 280 and 281 may do so by selling-out or buying-in in the Market either himself or through the Secretary of the Association or his deputy the securities which are open. Any expense incurred or any loss arising therefrom shall be borne by the constituent.

CLEARING HOUSE.

Function of Clearing House.

283. (a) There shall be a Clearing House under the control of the Board of Directors which shall act as the common agent of the Members in settling transactions between them by giving and taking delivery of securities and making and accepting payment for the same and clearing the differences;

Liability of Clearing House.

(b) The Clearing House shall not be deemed to guarantee the genuineness or regularity of any security transfer or other document passing through the Clearing House, and the only obligation of the Clearing House in this matter shall be to facilitate the delivery of securities, transfers and other documents between selling Members and purchasing Members.

Members only.

284. Members only shall be entitled to clear or settle contracts through the Clearing House.

Delivery and payments through Banks.

285. (a) The Clearing House shall maintain a list of Banks approved by the Board of Directors who may act for Members and their constituents in giving and taking delivery of securities transfers and other documents and in making and accepting payment for the same at the making-up price;

Forms.

(b) Securities to be delivered or received through Banks shall be entered in forms (Forms Nos. IV and V) specially provided for this purpose.
Banks and making-up price.

286. If so advised by Members, the Clearing House shall make payments to Banks at a price lower than or accept payments from Banks at a price higher than the making-up price fixed by the Board of Directors.

Clearing House Number.

287. A Member shall be allotted a number which must appear on all forms used by the Member in connection with the operations of the Clearing House.

Member's Clerks.

288. A Member may nominate two clerks who shall be competent to sign in the name of such Member all vouchers, claim notes and other documents and generally to transact on his behalf all such business as is necessary to be transacted in connection with the operations of the Clearing House.

Specimen Signature.

289. A Member shall file with the Clearing House specimens of his own signature and of those of the clerks whom he has nominated to represent him.

Attendance at Clearing House.

290. A Member who has to give or take delivery of securities or to make or accept payments shall either attend personally in the Clearing House or be represented by clerk nominated under Rule 288 at the proper time and no Member shall be entitled to demand delivery of securities or payment outside the Clearing House.

Charges for Clearing.

291. The charges for transactions settled through the Clearing House shall be in accordance with the scale prescribed from time to time by the Members in general meeting.

Settlement of accounts.

292. The Clearing House shall render bills for their charges and fines payable by Members on account of the business for any Settlement as soon after the final Settlement as may be practicable and the Clearing House will debit the amount so payable by Members to their accounts. All such bills shall be paid not later than the last day of the month in which they are rendered.
Forms to be prescribed.

293. (a) The Clearing Lists, Balance Sheets, Delivery Forms, Claim Notes, Vouchers and other documents used for the purpose of the Clearing House shall be in such form as the Board of Directors may from time to time prescribe and shall be signed by a Member or his clerk nominated to represent him;

Charges for Forms.

(b) The said Board shall from time to time prescribe the charges for the necessary forms to be supplied by the Clearing House.

Notices and Circulars.

294. (a) All Members shall comply with the directions given by the Board of Directors in all notices and circulars issued by the said Board in connection with the operations of the Clearing House;

Penalty for negligence.

(b) The said Board may impose upon any Member a penalty not exceeding rupees fifteen in every case of failure by any Member to comply with any such direction or for any error or omission or illegible entry in filling up any such form or other document required by the Clearing House in the course of its operations or for any delay in submitting any such form or document to the Clearing House.

Which securities to be cleared.

295. (a) The Board of Directors may from time to time specify the securities which shall be cleared through the Clearing House and deliveries and payments in all forward bargains in such shares must be made through the Clearing House;

Prohibition of certain bargains.

(b) No forward bargains in securities not so specified shall be permitted in the Market;

All bargains cleared through Clearing House.

(c) A Member shall clear and settle through the Clearing House all forward bargains in such securities to which he may be a party;

Release of Intermediaries.

(d) If a Member elect to deliver the securities outside the Clearing House Members making and accepting such delivery shall release all
intermediate parties from all liabilities. The deliverer shall alone remain responsible to the receiver.

Making-up price.

296. (a) The Secretary with the concurrence of the Members of the Board of Directors present at the time shall fix a making-up price of all securities cleared through the Clearing House by taking the actual Market price at the closing of business on the business day immediately preceding the Pay Day; *fixed by the Board in that behalf*

Temporary adjustment.

(b) On the morning of Pay Day all unsettled bargains in such securities shall be brought down and temporarily adjusted with such making-up price.

Alteration of making-up price.

297. The Board of Directors may under exceptional circumstances which shall be fully set out in the minutes of the said Board, alter a making-up price which has been fixed. When the making-up price is so altered, all accounts shall be readjusted and payment shall be made or received at the altered price.

Closing of bargains.

298. A Member shall close all his transactions for the current Settlement on the last business day fixed by the Board of Directors for that Settlement either by open purchase or sale or by carrying forward to the next Settlement; a Member shall give or take delivery as the case may be of all securities in all transactions which are open in his books on the last business day.

Comparison day.

299. On the first day of Settlement hereafter called the Comparison Day, a Member shall for the purpose of comparison or detecting error give to any other Member with whom he has bargains to be settled a memorandum slip (Form No. IX) showing the balance of different kinds of shares outstanding to be taken from him.

Memorandum Slip Errors.

300. (a) A Member to whom the memorandum slip is given shall retain it if it be correct; if an error be detected, there must be an adjustment by the parties concerned;
Liability of one party.

(b) If an error in any clearance sheet is subsequently discovered by the Clearing House and if securities are bought-in or sold-out, the Member to whom such memorandum slip was given shall be liable to pay the auction commission and the damages if any if the amount of securities shown in the memorandum slip does not agree with the amount of securities shown in the clearance sheet.

Liability of other party.

(c) If the amount of securities shown in the memorandum slip agrees with the amount of securities shown in the Clearance Sheet of the Member to whom the memorandum slip was given, the Member issuing the memorandum slip shall be liable for the payment of such commission and damages.

Clearance Day.

301. (a) A Member who has bargains to be cleared through the Clearing House shall send to the Clearing House on the day (hereafter called the Clearance Day or Ticket Day) fixed by the Board of Directors for the purpose, a Clearance List in such form (Form No. I) as the Board of Directors may prescribe;

Outstanding transactions.

(b) In such form shall be shown the balance of securities delivery of which is to be given or taken to or from each Member, and the difference between the totals on each side of this list shall show the exact amount of securities of which delivery must be given or taken through the Clearing House.

Separate Clearance Sheet.

302 (a) A separate Clearance List shall be submitted for each kind of securities;

Clearance Sheet when no delivery.

(b) Clearance Lists must be lodged with the Clearing House, though such List show no balance due to or from the Clearing House.

Delivery and Receivce Forms.

303. (a) The Deliver Form (Form No. II) and Receive Form (Form No. II-A) showing the balance of the different kinds of securities
of which delivery must be given or taken through the Clearing House shall accompany the Clearance Lists;

Lodging of Forms.

(b) The Clearance Lists and the accompanying forms shall be lodged at the Clearing House at any time from 12 noon to 5 p.m. or at such other time as the Board of Directors may from time to time prescribe.

Orders by Members.

304. (a) The Deliver and Receive Forms shall be deemed to be orders by a Member to the Clearing House to deliver each kind of security as specified in Form No. II on his account and to credit him with the value thereof and to receive each kind of security as specified in Form No. II-A on his account and to debit his account with the value thereof;

Payment contingent on delivery.

(b) Such credits and debits shall be contingent upon actual delivery and receipt of the securities and the value in each case shall, subject to the provisions of Rule 297, be estimated at the making-up price fixed by the Board of Directors.

Settlement through Tickets.

305. (a) It shall be competent to the Board of Directors to order that all bargains in any specified security shall be settled by a Process of Tickets instead of by Clearance Lists;

Notice.

(b) Any such order shall be posted on the notice board a day before the Clearance Day.

Pay Day.

306. (a) The day on which payments are to be made to the Clearing House shall be known as Account Day or Pay Day;

Settling Day.

(b) The day on which payments are to be made and securities are to be delivered by the Clearing House to Members shall be known as Settling Day;

Delivery of Securities.

307. (a) Members who have to give delivery of securities as specified in Form No. II shall deliver to the Clearing House such securities together with the necessary transfer forms duly signed and witnessed not later than 2 p.m. on the last day for delivery fixed by the Board of Directors;
Name of Member delivering.

(6) All transfer forms shall show the name of the Member delivering the shares which they accompany.

Form III

308. (a) The securities to be delivered shall be entered in Form No. III and each kind of securities shall be entered in a separate form;

Receipt.

(b) On presentation of such form duly filled in and specifying the amount of the securities or the number of shares, the name of the transferor and the number of each share, a Member shall be entitled to a receipt therefor;

Credit.

(c) The account of a Member so delivering securities will be credited by the Clearing House with the sum to be paid to such Member in accordance with the making-up price.

Debit.

309. (a) The account of a Member to whom securities are to be delivered shall be debited with the sum to be paid by such Member in accordance with the making-up price;

Delivery to Members.

(b) Securities which are to be delivered to a Member shall unless it is otherwise ordered by the Board of Directors or there is a debit balance to the account of such Member, be delivered to such Member by the Clearing House on application on the Settling Day at 12 noon or as soon after as practicable;

Receipt.

(c) A Member taking delivery of securities from the Clearing House shall sign a receipt for the same in the form appended to Form No. E and provided by the Clearing House for this purpose.

Comparing Accounts.

310. Members shall compare and check Settlement accounts and adjust any discrepancies on the day next after the day on which making-up prices are fixed by the Board of Directors.
Payment of Differences.

311. (a) All sums due for differences by one Member to another Member shall be payable to the Clearing House on Pay Day fixed for this purpose by the Board of Directors;

Claim Notes.

(b) Members from whom money is due for differences shall give to Members to whom such money is due before 2 p.m. on Pay Day Claim Notes (Form No. VI) showing the sum claimed.

No deductions.

312. A Member shall not be entitled to deduct from differences due by him to another Member any sum claimed to be due from that Member to him.

Preferential Difference.

313. (a) A Member who receives from another Member during any Settlement a Claim Note representing a sum other than a difference due to him or to his constituent and which is to be received by him on behalf and for the account of that constituent for that Settlement, shall refund such sum if such other Member be declared a defaulter within fifteen days after the Settling Day;

Refund of Differences.

(b) Any such refund shall be applied in liquidation of the claims of the creditors in accordance with the Rules.

Statement Sheet—Balance Sheet.

314. (a) A Member shall prepare in the manner prescribed in this Rule and shall deliver to the Clearing House before 3 p.m. on Pay Day a Statement Sheet of differences (Form No. VII) and a Balance Sheet (Form No. VIII). The Statement Sheet of differences shall contain a statement of all Claim Notes of differences issued and received by a Member and all such Claim Notes received by such Member shall accompany the Statement Sheet;

Balance.

(b) Any balance shown in such Statement Sheet shall be debited or credited to his account with the Clearing House as the case may be;
Preparation of Balance Sheet.

(d) The Balance Sheet shall show on the debit side each security to be received and the sum to be paid therefor at the making-up price and on the credit side each security to be delivered and the amount to be received therefor at the making-up price;

Debit Balance.

(d) When the balance as shown in the Statement Sheet of differences and Balance Sheet lodged with the Clearing House in the manner provided in this Rule is against the Member, he shall pay the balance to the Clearing House not later than 3 p.m. on Pay Day by a cheque drawn on the Bank of India, Ltd., or on such other Bank or in cash as the Board of Directors may from time to time direct;

Credit Balance.

(e) When the balance as shown in the Statement Sheet of differences and the Balance Sheet is in favour of the Member, he shall be entitled to receive the balance from the Clearing House by means of a cheque drawn by him on the Clearing House after 12 noon on the business day next after the Pay Day unless for special reason it is otherwise ordered by the Board of Directors.

Authority to pledge.

315. (a) The Board of Directors shall have the right to borrow money and pledge for the repayment thereof all or any part of the securities held by the Clearing House for the account of any Member who fails to take up and pay for such securities on the Pay Day;

Amount of Loan.

(b) The amount for which such securities may be so pledged shall not exceed the value of such securities in accordance with the making-up price and shall be paid to the Members who delivered such securities to the Clearing House in accordance with the Rules;

Selling-out.

(c) Such securities shall be sold-out by the Board of Directors in the manner provided in Rule 317.
Declaration of Default.

316. A Member failing to deliver his Balance Sheet or to pay any sum due by him to the Clearing House on Pay Day, shall be declared a defaulter on the Settling Day in the manner provided in these Rules for the declaration of a defaulter.

Selling-out.

317. (a) If a Member fails to pay within the time prescribed for the securities which are to be received by him in accordance with the Receive Form (Form No. II-A) lodged with the Clearing House, such securities shall be sold out by the Board of Directors on the Settling Day without notice to the Member in default;

Buying-in.

(b) If a Member fails to deliver within the time prescribed securities deliverable by him in accordance with the Deliver Form (Form No. II) lodged by him with the Clearing House, such securities shall be bought-in by the Board of Directors on the Settling Day without notice to the Member in default;

Refusal of offer.

(c) The Board of Directors shall be at liberty to refuse any bid or offer at the buying-in or selling-out.

Notice of Auction.

318. The Secretary of the Association shall post on the notice board of the Association a notice showing the total number of different kinds of securities to be delivered by all the Members to the Clearing House at each Settlement and the securities to be bought-in or sold-out.

Charges for auction.

319. Members against whom buying-in or selling-out takes place shall pay to the Clearing House a commission of one-half the usual brokerage.

Profit and Loss on auction.

320. When securities are bought-in or sold-out under Rule 317 the loss, if any, shall be paid forthwith by the Member in default to the Clearing House and the profit, if any, shall be credited by the Clearing
House to the account of such Member, provided that if such Member be declared a defaulter the profit or loss shall be distributed in the manner provided in Rule 322.

Penalty for failure to give or take delivery.

321. (a) If a Member fails to give or take delivery of all or any of the securities specified in Form No. II or II-A lodged by him with the Clearing House, the Board of Directors may in its discretion impose on such Member a penalty not exceeding 2 per cent. of the Market value of such shares;

In addition to loss incurred.

(b) Such penalty shall be in addition to any loss such Member may suffer on account of such securities being bought-in or sold-out and shall be in addition to the auction commission chargeable by the Clearing House.

Payment of Profit.

322. (a) If a profit results from the selling-out or buying-in of securities deliverable to or by a defaulter, the Clearing House shall pay such profit to the Defaulters’ Committee on account of the defaulter’s creditors;

Distribution of loss.

(b) If a loss results from the selling-out or buying-in of securities deliverable to or by a defaulter, the Clearing House shall assess such loss pro rata against all the parties with whom such defaulter had transactions in such scrip as shown in his Clearance Sheets and shall recover such assessment from such parties;

Recoveries.

(c) A Member from whom any such assessment is recoverable shall pay to the Clearing House the amount of such assessment as soon as he shall have received from the Clearing House notice of the amount of such assessment.

No lien on constituents’ securities.

323. (a) Neither the Association nor the Members who are creditors of a defaulter shall be entitled to any lien on the securities delivered by a defaulter on account of his constituents.
"If the Board postpones the Pay Day fixed for any settlement to a period beyond a week the Board shall by a resolution fix the budlee gala (contango) payable by the purchaser to the seller for each security on the basis of the budlee gala of the previous settlement."
Repayment on proof.

(b) Any such defaulter shall on proof that such securities were so delivered be entitled to receive the value of such securities on account of his constituents in accordance with the making-up price.

Altering Settlement Days.

324. The Board of Directors, in special circumstances which shall be set out in the minutes of their proceedings, have power at any time to alter or to postpone to a fixed date or dates, days fixed for Settlement for buying-in and selling-out Pay Days and Settling Days.

Transactions with Defaulter.

325. Members shall not omit from their Clearance Sheets (Form No. 1) any transaction entered into with a defaulter who has been declared after the last working day of the Settlement but before such Sheets have been lodged with the Clearing House.

Special Clearance Sheets.

326. Members shall lodge with the Clearing House immediately on declaration of default special Clearance Sheets showing all transactions outstanding with a defaulter who has been declared after the Clearance Sheets have been lodged with the Clearing House but before the Pay Day.

Defaulter's Creditors.

327. (a) Members whose Statement Sheets of Differences show them to be creditors of a defaulter who has been declared after such sheets have been lodged with the Clearing House must forthwith pay to the Clearing House differences due to them by the defaulter and included in such Sheets;

Defaulter's Debtors.

(b) A Member whose Statement Sheets of Differences show him to be debtor of a defaulter who has been declared after such Sheets have been lodged with the Clearing House shall not be entitled to the return of differences paid by him to the Clearing House unless such Member is a creditor of the defaulter for the following Settlement when he shall be entitled to the return of such differences if his claim is equal to or greater than the differences paid and may prove against the estate for the balance; if less, he is entitled to the amount claimed.
Liability of Clearing House and Association.

328. (a) No liability shall attach either to the Association or to any Member of the Board of Directors by reason of anything done or omitted to be done by the Clearing House in the course of its operations, nor shall the Association or any Member of the said Board be liable to answer in any way for the genuineness or ownership of any securities passing through the Clearing House nor shall any liability attach to the Association or any Member of the said Board in any way in respect of such securities;

Liability of Member.

(b) No liability shall attach to any Member of the Association for any delay on the part of the Clearing House in the course of its operations.

Adjustment of Securities.

329. (a) The Clearing House is entitled to deliver securities at its discretion which it has received from a Member under Rule 307 to another Member who is entitled under Rule 309 to receive delivery of securities of a like kind;

Privity of contract.

(b) Members so giving or receiving delivery shall be deemed, notwithstanding that no direct contract exists between them, to have made a contract with each other for all purposes of the Settlement, but the rights of such Members on intermediate contracts shall not be deemed thereby affected.

Liability of Member for genuineness of document.

330. The deliverer of securities shall be responsible to the Member to whom the same are delivered subject to the provisions of Rule 229 for the regularity and genuineness of the documents delivered and shall be liable for loss or damages if any arising therefrom. If he fails to pay such loss or damages he shall be liable to be declared a defaulter and the original contracting parties shall each pay the amount of such loss or damages pro rata as provided in Rule 322.

Death of Member during Clearing.

331. If a Member dies on or before the Pay Day and after the Clearing House has received the Clearance Sheets, the procedure to be
followed in clearing and settling the account of such Member shall be the procedure prescribed in clearing and settling the account of a defaulter, provided that the legal representative of such deceased Member or any other Member whom the Board of Directors approves may receive and deliver securities and make and receive payment on account of such deceased Member.

_Board of Directors Trustees._

332. All sums of money paid into the Clearing House and all credits appearing in the books of the Clearing House on account of any Member entitled thereto shall be held by the Board of Directors on behalf of the Association as agents and in trust for such Member and the making of such payment or credit entry shall be deemed and taken to be a payment or credit to such Member and no other Member shall be entitled to levy any attachment or execution thereon and neither the Association nor any Member thereof nor any other person shall, subject to any law for the time being in force, be deemed to have any right, title or interest in or to any such money or credit.

_Submission of statement by Members._

333. (a) The Board of Directors may by a Resolution passed by a majority of two-thirds of the Members present at a meeting require any Member to submit to the President for examination in sealed envelopes his Clearance Sheets (Form No. I) and his Deliver and Receive Forms (Forms Nos. II and II-A) showing his purchases and sales in any securities for the current and following Settlements;

_Fine._

(b) The said Board may fine any Member who fails to comply forthwith with such requisition;

_Suspension or Expulsion._

(c) The said Board may suspend or expel a Member who after a fine has been imposed upon him fails to comply with any such requisition;

_False or misleading statements._

(d) The said Board may suspend or expel a Member who makes any false or misleading statement in his Clearance Sheets or forms submitted under the provisions of this Rule.
334. Save as is provided in these Rules, the Board of Directors shall not be empowered to fix prices at which stock, shares or like securities shall or shall not be bought or sold; nor, save as is provided in these Rules, shall the said Board be empowered to fix rates at which or above which or below which sales or purchases in stock, shares or like securities shall or shall not be made.

335. (a) When the Board of Directors is satisfied that a single individual or syndicate of individuals has acquired such control over any scrip admitted to forward dealings that as a result thereof it appears such scrip cannot be obtained for delivery on existing contracts except at prices or on terms arbitrarily dictated by such individual or syndicate or there is any fraud connected with dealings in such scrip, and it appears to the said Board that it is in the public interest that the said Board should intervene, the said Board may intervene and prohibit all such further dealings in such scrip and remove such scrip summarily from the Forward List;

Fixing Settlement price within limits.

(b) When the said Board intervene under the provisions of this Rule the said Board shall forthwith fix a price in such scrip; such price shall be the highest price reached at any time during the settlement prior to the day on which the Board intervenes, and at such price all unsettled contracts in such scrip shall be finally settled and concluded;

Suspension of buying-in Rule.

(c) When the said Board intervene and prohibit further dealings in any such scrip and remove such scrip from the Forward List, the said Board shall at the same time suspend the buying-in Rule with respect to all contracts in such scrip existing at the time of intervention;

Majority of one-half of the entire Board.

(d) A Resolution of the said Board under this Rule shall not be deemed valid and come into force unless it shall have been passed by the votes of not less than one-half of the total number of the Members of the Board at a meeting at which not less than three-fourths of the total
number of the Members of the Board shall have been present and which meeting shall have been specially summoned for the purpose. A Resolution so passed shall be final and be deemed valid and come into force forthwith;

(e) If within fifteen minutes of the time fixed for the special meeting three-fourths of the total number of members of the Board are not present, the members present shall co-opt as provided in Rule 96 (b);

Re-admission of scrip removed.

(f) Any scrip which shall have been removed from the Forward List may be re-admitted to such list when the Board of Directors is satisfied that such scrip is well distributed among the public by a Resolution of the said Board passed in a like manner as a Resolution of the said Board removing such scrip and prohibiting such dealings and shall be deemed in like manner to be final, valid and come into force;

Ready Delivery Contracts.

(g) Nothing in this Rule shall be deemed to apply to ready delivery contracts made or to be made;

Reasons of intervention to be recorded.

(h) When the said Board intervene under this Rule, the circumstances and reasons of the intervention by the said Board shall be fully set out and recorded in the minutes of its proceedings; such minutes shall be signed by each Member of the said Board concurring in the intervention and the reasons of any Member not so concurring shall likewise be set out and recorded and shall be signed by such Member. A copy of the minutes of such proceedings of the said Board shall be forthwith sent to the Secretary to the Government of Bombay in the Finance Department. The said minutes shall be deemed privileged and confidential;

(i) When it is proved to the satisfaction of the majority of the Members of the Board of Directors who may be present at a meeting of the said Board that a Member of the Association has bought or sold in any scrip in which the said Board shall have intervened and fixed a price, a greater number of shares than such Member knew or had reason to believe at the time when such shares or any of them were bought or sold, he could take or give delivery of, the said Board shall declare such Member guilty of disgraceful and dishonourable conduct and such Member shall forthwith be suspended or expelled;
(j) It shall be incumbent upon the said Board to take cognizance of and to enquire into any complaint made in good faith by a Member of the Association or by a constituent of any Member who shall have bought or sold shares in the scrip in which the said Board shall have intervened and fixed a price, charging a Member with disgraceful and dishonourable conduct within the meaning of this rule;

(k) This rule shall remain in force for a period of three years only in the first instance.

Iwala.

336. Parties to contracts prior to such suspension of dealings will be at liberty to cross the existing contracts at the Settlement price fixed by the Board of Directors under the provisions of Rule 335.

Contracts to be cleared by Tickets.

337. When the Board of Directors intervene under the provisions of Rule 335 all existing contracts in the shares of the scrip in which dealings shall have been prohibited shall be cleared and settled by the Process of Tickets as hereinafter provided and not by the system of Clearance Sheets; but delivery and payment under any such contracts shall be made through the Clearing House.

Liabilities attach in Succession.

338. When contracts are cleared and settled by the Process of Tickets, the liabilities under each contract between Members inter se shall attach to each Member in whose hands in succession the Tickets shall have passed.

Issue of Tickets.

339. (a) A Member who takes up shares to which the Ticket Process shall apply shall issue Tickets: one Ticket for each share. The Ticket must contain a serial number given by the Secretary of the Association on application, the date of issue, the name of the Member issuing the Ticket as the payer of the purchase money and the name of the Member from whom he has bought the shares;

Passing of Tickets.

(b) Such Ticket shall then be passed to the selling Member on the Ticket Day fixed by the Board of Directors. All Tickets must be passed in the Settling Room from seller to seller. Each intermediate
seller in succession to whom such Ticket shall be passed shall endorse thereon the name of his seller. The ultimate seller shall retain the Ticket.

**Tickets at Settlement Price.**

340. All Tickets shall be passed through the accounts at the Settlement price fixed by the Board of Directors under the provisions of Rule 335 and the shares shall be paid for at that price.

**Selling-out.**

341. (a) A Member having to deliver shares sold and who shall not have received a Ticket on a Ticket Day when the circulation of Tickets shall have ceased, shall have the right to sell-out the shares;

(b) Such Member shall apply to the Secretary of the Association to issue a notice for selling-out; such notice shall be passed to the Member from whom the Ticket is required;

**Circulation of Notices.**

(c) All such notices shall be passed in the Settling Room from buyer to buyer until they shall have reached the original buyer. Each intermediate buyer shall endorse on the notice the name of the Member to whom it is passed.

**Delivery of shares.**

342. (a) A holder of Tickets shall deliver to the Clearing House all or such of the shares as he can deliver with Tickets attached thereto within the time prescribed for delivery;

(b) When such Member has no shares to deliver he shall return to the Clearing House the Tickets with the words "No Delivery" endorsed thereon.

**Apportionment to Tickets.**

343. A deliverer of shares on Tickets shall apportion such shares to each Ticket at the time of delivery by endorsing on the Ticket the name of the transferor and the number of shares.
Fully Notified Shares to be delivered.

344. A holder of Tickets shall deliver only such number of shares of which he shall have given notice to the issuer on the date fixed by the Board of Directors for the purpose.

Payment of shares.

345. (a) On the Pay Day the issuer of Tickets shall pay the Clearing House at the price fixed by the Board of Directors under the provisions of Rule 335 for such shares as may be delivered by the Ticket-holder within the time prescribed;

Selling-out.

(b) If such issuer fails to pay for such shares, the said Board shall on the advice of the Clearing House, on the Settling Day, i.e., the next business day after the Pay Day, sell-out such shares, and he shall be liable for the damages, if any, arising from such selling-out;

Non-delivery and Non-payment.

(c) If the holder of Tickets also fail to deliver such shares all such unsettled bargains shall be closed at the Settlement price fixed under the provisions of Rule 335.

Limit at Auction.

346. When shares are sold-out under the provisions of Rules 341 and 345 it shall not be competent for a Member to bid or offer a price higher than the price fixed by the Board of Directors under the provisions of Rule 335.

Settlement to be Final.

347. Payment of differences between the contract price and the Settlement price fixed by the Board of Directors under the provisions of Rule 335 shall be deemed finally to close all unsettled contracts and shall be deemed finally to settle and determine the rights and liabilities under such contracts of one Member to another Member or of Members to constituents or of constituents to Members.

GOVERNMENT SECURITIES, ETC.

Rules specially applicable to bargains in securities of the Government of India, Local Governments, debentures and stock of Port Trusts, Municipal Corporations and such other securities as may come within the provisions of the Negotiable Instruments Act, 1881.
BARGAINS GENERALLY.

Bargains.

348. Bargains in securities and stock to which these Rules apply may be for Cash or for the Settlement.

Bargains for Promissory Notes.

349. All bargains shall be for Promissory Notes transferable by endorsement with interest payable in Bombay unless there is a condition in the contract for delivery of bearer bonds.

Written contracts to be exchanged.

350. (a) Written contracts shall be rendered on the day of bargain as provided in rules 189, 190;

Accrued interest.

(b) The accrued interest is not included in the bargain price;

Buyer to pay interests.

(c) The buyer shall pay interest accrued to the day of payment.

CASH BARGAINS.

Delivery and payment.

351. (a) A bargain for cash shall be for delivery and payment before 3 p.m. on the business day next following the bargain unless otherwise stipulated at the time of the bargain. If such day is Saturday delivery and payment shall be made on the business day next following;

(b) A bargain for cash shall not be valid if the delivery is to be made more than fourteen days from the date of contract.

Selling-out.

352. (a) The buying member shall issue a Receive and Pay Order as provided in Rule 362 at or before 12 noon on the day on which delivery and payment is to be made and shall deliver the order to the selling member. If the buying member fails to issue the Receive and Pay Order in the manner prescribed, the selling member shall be entitled to sell-out after giving one business day's notice in accordance with the rules for selling-out;

Buying-in.

(b) If a selling member fails to deliver the scrip before 3 p.m. on the day of issue of the Pay Order, the buyer shall be entitled to buy-
in after giving one business day's notice in accordance with the rules for buying-in.

FORWARD BARGAINS FOR THE SETTLEMENT.

Forward Listing.

353. (a) The Board of Directors shall from time to time at a meeting specially summoned for the purpose determine which of the securities of the Government of India or of the Local Governments and which of the debentures or stock of Port Trusts, Municipal Corporations and of the securities within the provisions of the Negotiable Instruments Act shall be admitted to forward dealings and may from time to time in like manner determine which of such securities, debentures or stock shall be removed from the Forward List.

Forward Business in Non-listed Securities.

(b) No bargains made for the settlement in Government Securities not admitted to forward dealings will be recognised and all such bargains shall be deemed void.

Fortnightly Settlements.

354. (a) The Settlement shall be fortnightly;

Separate Pay Days.

(b) The Board of Directors shall in December of each year fix 24 Accounts Days or Pay Days. Such Pay Days shall be on days other than the Pay Days fixed for the ordinary monthly settlement in other securities;

Deliveries and Payments.

(c) Deliveries and payments for all transactions for forward delivery shall be made on each Account Day or Pay Day fixed by the Board of Directors under this Rule.

Certain Forward Bargains Void.

355. All forward bargains for any Account other than the Current Account fixed by the Board of Directors under Rule 354 shall be void subject to the provisions of rule 356.
Beginning of Settlement.

356. The Board of Directors shall fix a date from which a bargain for the ensuing account may be made. Such date shall not be earlier than three working days previous to the Account Day for the Current Settlement.

Unit of Trade.

357. The unit of trade in all forward bargains shall be Rs. 25,000 face value and all such bargains for a lesser amount are prohibited. The Board of Directors may suspend or expel a member who violates this Rule.

Making-up Price.

358. Pay orders shall be issued on Account Day for the purpose of Settlement at the making-up price fixed by the President of the Association. Such price shall be the closing price of the day immediately preceding the Account Day.

Differences.

359. Differences due from one member to another shall be paid on the Account Day between such hours as the Board of Directors may from time to time prescribe.

Issuing of Tickets.

360. (a) The member who takes up securities bought for the Account, shall issue Tickets each for Rs. 25,000 face value of the securities. Such Tickets must contain a serial number which will be given by the Secretary of the Association on the application of the Member. Such Ticket must also contain the name of the Member issuing the Ticket and the name of the Member from whom he has bought the securities.

(b) The Ticket shall then be passed to the Selling Member a day before the Account Day called the Ticket Day. All Tickets must be passed in the settling room from seller to seller. Each intermediate seller, in succession, to whom such Tickets shall be passed, shall endorse thereon the name of the seller. The ultimate seller shall retain the Ticket. The passing of the Ticket shall commence at 2 p.m. on the Ticket Day, but in no case later than 4 p.m. The said Secretary shall not give numbers of Tickets later than 3 o'clock on the Ticket Day.
Closing on Ticket Day.

(c) The market will be closed at 2 p.m. on the Ticket Day. All outstanding transactions for the Current Settlement shall be closed at or before this time.

Pay Order.

361. (a) On the Ticket Day the Issuer of Tickets shall hand to the holder of Tickets a Receive-and-Pay order, drawn only on one of the Parties mentioned in rule 362 (b), in exchange for Tickets. The Holder of Tickets shall deliver the securities at the office of the said Bank or Firm receiving the securities before 3 o'clock on the Account Day, and payment must be made within one hour of the time of the delivery.

Buying-in.

(b) Failing delivery the Issuer of the Ticket may after giving one business day's notice to the Holder of the Ticket buy-in the securities.

Deliver Order.

362. (a) The Issuer of Tickets shall have an option to draw a Receive-and-Pay order on himself. In such case the Holder of the Tickets shall either deliver to the Issuer of Tickets the securities against payments in cash in the Settling Room or hand over a Deliver Order on one of the approved Banks or Firms before 12 noon on the Account Day. If the Deliver Order is issued by the Holder of Tickets the payment must be made at the office of the said Bank or Firm delivering the securities;

Place of Payment.

(b) Banks who are Members of the Bankers' Clearing House, Bombay, will not be required to deliver securities at the office of any party except—

(1) Other Banks who are Members of that Clearing House;

(2) Parties approved by the Board of Directors and a majority of the Banks who are Members of the Bankers' Clearing House, Bombay;

Cheques release intermediaries.

(c) If the party delivering the securities accepts a cheque in payment, all intermediate parties, if the cheque be dishonoured, shall be released from all liability.
Buying-in without notice.

353. If the Holder of Tickets fails to apply for Receive-and-Pay order on the Ticket Day, the Issuer of the Ticket is entitled to buy-in the securities the following day without giving notice.

Selling-out.

364. (a) The Member delivering securities sold and who shall not have received the Ticket on the Ticket Day when the circulation has ceased shall have the right to sell-out the securities.

Notice.

(i) Such Member shall apply to the Secretary of the Association on the Account Day to issue notice for selling-out on the day following. The notice shall be passed on the Account Day to the Member from whom the Ticket is required. All such notices must be passed in the Settling Room from buyer to buyer until they reach the original buyer. Each intermediate buyer is required to endorse on the notice the name of the Member to whom it is passed.

Release of Intermediaries.

365. If buying-in and selling-out be not effected within three business days including the Account Day, all intermediate parties shall be released from all liabilities. The liability of the Issuers and Holders of Tickets is not affected by the fact that intermediaries have been released by lapse of time.

CASH OR FORWARD BARGAINS.

Late buying-in.

366. The buyer must receive and pay for the securities if tendered before the actual exercise by the buyer of his right to buy-in but he shall not be liable for interest accrued after the day on which the delivery shall have been made.

Late selling-out.

367. The seller must accept payment if tendered and deliver the securities before the actual exercise by the seller of the right to sell-out but he shall be entitled to interest at Bank rate for the days between the day on which payment should have been made and the day of actual payment.
Renewal Fees.

368. The buyer is entitled to claim the Renewal Fees when there are less than three blank cages for endorsement on the back of the Note or when there are six or less than six half yearly interest columns blank or when there are more than two enforcements for payment of interest.

Cross Endorsements.

369. The buyer may refuse to accept the Notes and to pay for them if there is a cross endorsement or if interest is left undrawn for more than three years.

Valid Delivery.

370. The buyer may refuse to pay for securities unless all endorsements on the back of the Note are valid, regular and in proper form, but he shall pay for such portion of the securities as may be in order. The securities thus returned unpaid must not be bought-in until seven days have been allowed to the seller to put the securities in order. The buyer is not liable to pay the accrued interest beyond the due date for the delivery of securities returned. If the seller fails to deliver the securities within the said period of seven days, the buyer shall after giving one business day's notice be entitled to buy-in the same within two days thereafter.

Liability of Broker.

371. The Member acting as a broker on behalf of a principal is not responsible for the genuineness and regularity of securities passing by endorsement and delivery and delivered by the seller to the buyer.

HOURS OF BUSINESS.

Hours of Business in Government Securities.

372. The hours of business for forward bargains shall be from 12 noon to 4 p.m. and for cash dealings from 12 noon to 5 p.m. every business day except on Saturdays when they shall be from 12 noon to 2 p.m.

The market shall be closed one hour earlier on the occasion of the death of a Member as a token of respect for the memory of the deceased.
"Scale of Brokerage for Negotiation of Loans.

Subject to a maximum of 3/16\% a member may charge as brokerage at rates not exceeding 1/64\% per month on the amount of the loan against securities of the Government of India, Local Governments, debentures and stock of Port Trusts, Municipal Corporations and such other securities."
BROKERAGE.

Brokerage.

373. Brokerage shall be charged at the following rates. There shall be a minimum charge of one rupee for each transaction.

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<thead>
<tr>
<th>Securities</th>
<th>Brokerages</th>
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<tr>
<td>Securities of the Government of India and Local Governments.</td>
<td>1/16 per centum on stock for cash or forward business over Rs. 25,000 face value, and 1/32 per cent. for Badli business.</td>
</tr>
<tr>
<td></td>
<td>1/8 per centum on stock for cash under Rs. 25,000 face value</td>
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<td>1/8 per centum face value of stock.</td>
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<tr>
<td>Debt of Part III of Act of 1867, or of Part of Act of 1872, or of Municipal Corporations and other securities.</td>
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This Rule shall not apply to underwriting or the placing of New Issues.

374. Rules 199 to 202 relating to Payment and Delivery and Rules 334 to 347 relating to Circuits, shall not apply to bargains in these securities.
APPENDICES TO THE RULES.

APPENDIX A.

FORM OF APPLICATION FOR ADMISSION.

(Rule 9.)

To,

The Secretary,
The Native Share and Stock Brokers' Association, Bombay.

Sir,

Please acquaint the Board of Directors that I am desirous of being admitted a member of the Association upon the terms of and under and subject in all respects to the Rules of the Association, which now are, or hereafter may be for the time being in force subject to the provisions of the Bombay Securities Contracts Control Act, 1923. I have read the Rules of the Association.

I solemnly declare that

(1) I am a native of India

or

I am a British subject and I have been a resident of Bombay Presidency for the last years.

(2) I am neither a member of, nor subscriber to, nor shareholder or debenture holder in any other institution, association, company or corporation in Bombay in which dealings in Stocks or shares or Government Securities are carried on, nor am I a partner with any person so engaged.

(3) I am a member of, but I undertake to sever my connections with that institution immediately on election.

(4) If admitted a member of the Association, I will not be interested directly or indirectly in any other institution in Bombay dealing in shares or Government Securities during the time I remain a member of the Association, under penalty of immediate expulsion, nor will I enter into or remain or be engaged, either directly or indirectly, in any business other than that of stocks, shares and like securities or of a financial broker, either as principal or employee, during the time I remain an active member of the Association under penalty of being declared no longer a member.

Full name.
Age.
Address.
Occupation.
Reasons for giving up the present business.
Date.

Yours faithfully,

We recommend Mr. as fit person to be admitted a member of the Association.

Signature of two members, of not less than five years' standing.
APPENDIX B.
FORM OF NOMINATION.
(No. 1.)
(Rule 10.)

To,
The Secretary,
The Native Share and Stock Brokers' Association, Bombay.

Sir,
I
of the Native Share & Stock Brokers' Association, hereby nominate
Mr. as my successor and
I hereby tender the resignation of my Membership in his favour.

Yours faithfully,
Witness.
Signature of Nominator

of 19 . Signature of Nominee

FORM OF NOMINATION.
(No. 2.)
(Rule 10.)

To,
The Secretary,
The Native Share and Stock Brokers' Association, Bombay.

Sir,
We, the undersigned near relatives legal representatives of Mr.
deceased, until , a Member of the Native Share & Stock Brokers' Association, hereby nominate
Mr. as his successor.

Yours faithfully,
Witness.
Signature of Nominators

of 19 . Signature of Nominee
APPENDIX C.

RULES FOR THE GUIDANCE OF THE BOARD OF DIRECTORS ADMITTING SUCCESSOR TO DECEASED MEMBER UNDER RULES 10 AND 12.

In dealing with any application under Rule 10 or 12 the Board of Directors shall so far as practicable be guided by the following Rules:

(a) If the widow and all the sons who are of age and the guardian of the minor sons (if any) consent to such new card being issued to any one of the sons and if such son is otherwise qualified to be admitted as a member, preference shall be given to such son.

(b) If there be no widow then preference shall be given to any one of the sons who is recommended by all the sons who are of age and the guardian of the minor sons (if any) and who is otherwise qualified to be admitted as a member.

(c) If there be a widow but no sons who are of age, preference shall be given to any one recommended by the widow.

(ii) If there be no widow or sons preference shall be given to any one who is recommended by the daughters and who is otherwise qualified to be admitted as a member.

(e) If there be no widow, sons or daughters, preference shall be given to any person recommended by the parents and who is otherwise qualified to be admitted as a member.

(f) In any other event the said Board shall, subject to the Rules of the Association relating to the qualifications of candidates, have absolute discretion to issue the card to any other person the said Board may think fit.

No admission fee shall be charged to any person to whom a card is issued under these rules.
APPENDIX D.

FORM OF LETTER INTIMATING ELECTION.

(Rule 18.)

The Native Share and Stock Brokers' Association,
Dalal Street, Bombay.

Sir,

I am directed to inform you that you are elected a Member of the Native Share and Stock Brokers' Association under the terms of, and subject in all respects to the Rules of the Association made subject to the provisions of the Bombay Securities Contracts Control Act, 1925, which are now and hereafter may be in force. Upon your paying the Entrance Fee of Rs. and annual subscription of Rs. 5 within one month of the receipt of this intimation, a further intimation will be sent to you giving you the date from which you may exercise the rights and privileges of membership.

Yours faithfully,

Secretary.

APPENDIX E.

FORM OF LETTER INTIMATING RIGHT TO EXERCISE THE PRIVILEGES OF MEMBERSHIP.

(Rule 19.)

The Native Share and Stock Brokers' Association,
Dalal Street, Bombay.

Sir,

Referring to my previous notice of , I am directed to inform you that the provisions of the Rules relating to the Admission of Members having been complied with, you are entitled to exercise from this day the Rights and Privileges of Membership. A Card of Membership is sent herewith.

Yours faithfully,

Secretary.
APPENDIX F.

FORM OF CARD.

(Rule 19.)

No.

The Native Share and Stock Brokers' Association, Bombay.

This is to certify that Mr. has this day been admitted a Member of the Native Share and Stock Brokers' Association of Bombay according to the Rules of the Association and that he is from this day entitled to exercise all the rights and privileges and is subject to all the liabilities of such Membership and that he is and will be hereafter bound by the Rules of the Association which now are or may hereafter be duly sanctioned by the Government of Bombay under the Bombay Securities Contracts Control Act, 1925.

_________________________ President.

Secretary:_________________ Directors.

Bombay,_________________
APPENDIX G.

Brokerage.

(Rule 189.)

The rates of brokerage to be charged by Members for the purchase or sale of stocks, shares and like securities shall be as follows:—

There shall be a minimum charge of rupee one on each transaction.

(a) On debentures of Railways and debentures of joint stock companies generally. ... \( \frac{3}{4} \) per cent. on stock.

(1) On the contract price of shares of joint stock companies when such price does not exceed

<table>
<thead>
<tr>
<th>Rs.</th>
<th>10</th>
<th>...</th>
<th>...</th>
<th>...</th>
<th>Rs.</th>
<th>0 2 per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>exceeds Rs.</td>
<td>10 but does not exceed</td>
<td>Rs.</td>
<td>25</td>
<td>&quot; 0 4 &quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>&quot; 25</td>
<td>&quot; 25</td>
<td>...</td>
<td>&quot; 50</td>
<td>&quot; 0 8 &quot;</td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>&quot; 50</td>
<td>&quot; 50</td>
<td>...</td>
<td>&quot; 75</td>
<td>&quot; 0 12 &quot;</td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>&quot; 75</td>
<td>&quot; 75</td>
<td>...</td>
<td>&quot; 100</td>
<td>&quot; 1 0 &quot;</td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>&quot; 100</td>
<td>&quot; 100</td>
<td>...</td>
<td>&quot; 250</td>
<td>&quot; 1 4 &quot;</td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>&quot; 250</td>
<td>&quot; 250</td>
<td>...</td>
<td>&quot; 750</td>
<td>&quot; 2 8 &quot;</td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>&quot; 750</td>
<td>&quot; 750</td>
<td>...</td>
<td>&quot; 2,000</td>
<td>&quot; 5 0 &quot;</td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>&quot; 2,000</td>
<td>&quot; 2,000</td>
<td>...</td>
<td>&quot; 5,000</td>
<td>( \frac{1}{4} ) per cent. on value of such shares.</td>
<td></td>
</tr>
<tr>
<td>&quot;</td>
<td>&quot; 5,000</td>
<td>&quot; 5,000</td>
<td>...</td>
<td>...</td>
<td>( \frac{1}{2} ) per cent. on value of such shares.</td>
<td></td>
</tr>
</tbody>
</table>

This rule shall not apply to the underwriting or the placing of new issues or Badli-business.

"Scale of Brokerage for Negotiation of Loans."

Subject to a maximum of \( \frac{3}{4} \% \) a Member may charge as brokerage at rates not exceeding \( \frac{1}{16} \% \) per month on the amount of the loan against securities of joint-stock companies."
APPENDIX H.
(Rule 189.)

Contract Notes for Members acting for constituents as Brokers.

Names of Partners.

To

Sir,

We have this day done by your order and on your account the following transactions:

<table>
<thead>
<tr>
<th>Your purchases</th>
<th>Your sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>Kind of security</td>
</tr>
<tr>
<td>----------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This contract is made subject to the Rules and Regulations of the Native Share and Stock Brokers’ Association.

This is not a Not Contract. Brokerage according to the prescribed scale is not included in the price.

Yours faithfully,

Bombay, 192.

Members of the Native Share and Stock Brokers Association.
Contract Notes for Members acting with constituents as Principals.

Names of Partners.

To

Sir,

We have this day sold to you.

We have this day bought from you.

<table>
<thead>
<tr>
<th>Your purchases.</th>
<th>Your sales.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>Kind of security</td>
</tr>
</tbody>
</table>

The contract is made subject to the Rules and Regulations of the Native Share and Stock Brokers' Association. No Brokerage has been charged.

Yours faithfully,

Bombay, 192

Members of the Native Share and Stock Brokers' Association.
APPENDIX I.
FORM OF SUBMISSION TO ARBITRATION.
(Rules 126 and 267.)

Form of Reference by Non-Member:—

To the Arbitration Committee, the Native Share and Stock Brokers' Association,
Bombay,

In the Matter of a Complaint between

and

Gentlemen,

I do hereby consent to refer this matter to you and I undertake to be bound by the
said reference, and to abide by and forthwith to carry into effect your award, resolution
or decision in this matter, and I further undertake not to institute, prosecute or cause,
or procure to be instituted or prosecuted, or take any part in proceedings, either civil or
criminal, in respect of the case submitted. And I consent that the Arbitration Committee
may proceed in accordance with the rules of procedure relating to arbitration between
Members of the Association, and I undertake to be bound by the same. Also that the arbitrators
or Arbitration Committee or the Board of Directors may proceed ex-parte after notice,
and that it shall be no objection that the members of the said Committee or Board
present vary during the enquiry or appeal, or that any of them may not have heard the
whole of the evidence or appeal, and any award or resolution of the said Committee or
the said Board signed by the Chairman for the time being shall be conclusive that the same
was duly made or passed, and that the reference was conducted in accordance with the
Rules of the Association relating to arbitration in disputes. And I hereby agree that
this letter shall be deemed to be a submission to arbitration within the meaning of the
Indian Arbitration Act, 1899, or any statutory modification thereon.

Agreement Stamp.
APPENDIX J.

Forms of the Clearing House.

Form No. I, Page No. 1.

Bombs (Bombay) 19

The Manager, (भी भेंटेंर) 26

The Native Share and Stock Brokers' Association Clearing House, Bombay.

भी नेटीन शेअर और स्टॉक ब्रेकर्स' असोसिएशन क्लीरिंग हाउस, मुंबई.

Dear Sir, (भाई सिर) 26

In accordance with the Rule 301 of the Association, I herewith submit a clearance list showing the balance of shares to be delivered to and taken over from the following members for _______ settlement and I hereby confirm that the same is a complete and true statement.

Broker No. (व्यापार नं.)

Yours faithfully, (तथारे विश्वास,)

Name of Company (अधिष्ठात्री नाम)

The Manager,

The Native Share and Stock Brokers' Association Clearing House, Bombay.

Dear Sir,

Shares to be delivered to the Clearing House.

In accordance with the Rule 303 of the Association, I append a list showing the number of shares I shall deliver to the Clearing House for Settlement.

I hereby undertake to deliver the shares specified on the days fixed and authorise you to debit my account with the making-up price fixed by the Board of Directors of the Association.

Yours faithfully,

Broker No.

<table>
<thead>
<tr>
<th>No. of shares.</th>
<th>Name of Company.</th>
</tr>
</thead>
<tbody>
<tr>
<td>खंभावे शऱेर.</td>
<td>कपडालू नाम.</td>
</tr>
<tr>
<td>No. of shares.</td>
<td>Name of Company.</td>
</tr>
<tr>
<td>खंभावे शऱेर.</td>
<td>कपडालू नाम.</td>
</tr>
</tbody>
</table>

(This Form must be filled up in English.)
The Manager,
The Native Share and Stock Brokers’ Association Clearing House, Bombay.

Dear Sir,

Shares to be received from the Clearing House.

In accordance with the Rule 903 of the Association, I append a list showing the number of shares I undertake to receive from the Clearing House in Settlement.

I hereby

(a) bind myself to take delivery of the shares specified on the Delivery Day fixed by the Board.

(b) and authorise you to debit my account with the cost at the making-up price fixed by the Board of Directors of the Native Share and Stock Brokers’ Association.

Yours faithfully,

Broker No.

(This Form must be filled up in English.)

Shares to be received from the Clearing House.

<table>
<thead>
<tr>
<th>No. of shares.</th>
<th>Name of Company.</th>
<th>No. of shares.</th>
<th>Name of Company.</th>
</tr>
</thead>
<tbody>
<tr>
<td>शेयरें का संख्या</td>
<td>कंपनी का नाम</td>
<td>शेयरें का संख्या</td>
<td>कंपनी का नाम</td>
</tr>
</tbody>
</table>
Dear Sir,

In accordance with my undertaking to deliver shares to you for this Settlement, I now beg to hand you, under rule 308, shares (with duly signed and witnessed transfers) as per list below. Please credit my account with the proceeds in due course at the making-up price fixed by the Board.

The Native Share and Stock Brokers’ Association Clearing House, Bombay.

Yours faithfully,

[Signature]

Name of Company.

[Signature]

Brokers No.

<table>
<thead>
<tr>
<th>No.</th>
<th>Transferor’s Name</th>
<th>Distinctive Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Receiving Clerk:

[Signature]

The Native Share and Stock Brokers’ Association Clearing House.

[Signature]

Received from shares and transfer deeds as enumerated in his list No.

[Signature]

For The Bank of India, Ltd.,
Agents to the Clearing House.

Receiving Clerk.

[Signature]

Clearing House Manager.

[Signature]
**FORM No. IV.**

**BOMBAY,**

**1921**

The Manager,

The Native Share and Stock Brokers' Association Clearing House.

To the

The Native Share and Stock Brokers' Association Clearing House.

_Sir,

Please deliver to [Name of Bank] on or before [Date] the undernoted shares (after receipt of the amount mentioned below), and credit the sum to my settlement account.

- [Company] shares of [Amount], at [Rate]

Yours faithfully,

Brokers No. [Number]

---

**FORM No. IV.**

**BOMBAY,**

**1921**

The Bank of India, Limited, Agents to

The Native Share and Stock Brokers' Association Clearing House.

_Sir,

In consideration of your having paid the sum of Rupees [Amount] to this Clearing House on account of Broker [Name], I enclose this voucher (duly endorsed by you) if presented to the Clearing House on the 1921 will be exchanged for the undermentioned shares subject to Rule 297.

Yours faithfully,

[Name]

_BOMBAY,_

[Date]

---

<table>
<thead>
<tr>
<th>No. in words.</th>
<th>Company.</th>
<th>Rate.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number</strong></td>
<td><strong>Shares</strong></td>
<td><strong>Rs.</strong></td>
</tr>
<tr>
<td><strong>Amount</strong></td>
<td><strong>Rate</strong></td>
<td><strong>Rs. a. p.</strong></td>
</tr>
<tr>
<td><strong>1</strong></td>
<td><strong>2,324</strong></td>
<td><strong>Rs. a. p.</strong></td>
</tr>
</tbody>
</table>

For THE BANK OF INDIA, LTD., [Name and Address]
The Manager,
The Native Share and Stock Brokers' Association
Clearing House, Bombay.

DEAR SIR, (Name of Bank),

Please receive from
(Name of Bank) the following shares on or before
192 and pay them the amount mentioned below on the Payment Day
appointed by the Association to the debit of my settlement account.

(Shree. Name) 

In consideration of your having delivered to this Clearing House
the underrunmation shares on account of Broker
this voucher (only endorsed by you) if
presented to the Clearing House on
192 will be exchanged for our pay slip for the amount specified here-
under subject to rule 297.

FOR THE BANK OF INDIA, LTD., (Shree. Name)

Clearing House Branch Manager. (Signature)
The Native Share and Stock Brokers' Association Clearing House.

Settlement Date

Please claim at the above Settlement:

Rs.

Signature:

Broker No.
### Statement Sheet of Differences

<table>
<thead>
<tr>
<th>Due by me.</th>
<th>Rs.</th>
<th>a. p.</th>
<th>Broker No.</th>
<th>Due to me.</th>
<th>Rs.</th>
<th>a. p.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balance Payable by Clearing House ...</th>
<th>Balance Payable to Clearing House ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>कड़ीरिः दानिः दानिः वद्याचतिः वद्याचतिः नुसारत...</td>
<td>कड़ीरिः कड़ीरिः दानिः आपायाचतिः नुसारत...</td>
</tr>
<tr>
<td>'Total Rs.'</td>
<td>'Total Rupees'...</td>
</tr>
<tr>
<td>कुल रुपये...</td>
<td>कुल रुपये...</td>
</tr>
</tbody>
</table>

Certified Correct for purposes of Settlement.
वलतु मांदी दीनाधिक्षर परिणाम है।

**Signature**

खेली।

Received by

Checked by

Vouchers for all sums due to me on Settlement Day as stated above are attached to this list, as per rule 314.

क्रम ४५४ मुख्य वलतुमां उपर मुख्य वलतुमां ४५४ मार्ग मार्ग देखकर वह है, तद्नी वलतुमां मार्गमां आ साधे मार्गमां है।
The Manager,

The Native Share and Stock Brokers' Association Clearing House, Bombay.

Broker ____________________ Settlement ____________________

(This Form must be filled up in English.)
(આ ફોર્મ અંગ્રેજીએ ભરવું જેવું.)

<table>
<thead>
<tr>
<th>Broker No.</th>
<th>No. of Shares</th>
<th>Rate</th>
<th>Amount Due from me.</th>
<th>Name of Company</th>
<th>No. of Shares</th>
<th>Rate</th>
<th>Amount Due to me.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rs. a. p. e.</td>
<td>૬પામી નામ.</td>
<td></td>
<td></td>
<td>Rs. a. p. e.</td>
</tr>
</tbody>
</table>

Balance Payable by Clearing House.

<table>
<thead>
<tr>
<th></th>
<th>Balance Payable to Clearing House.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>કારણે આરોખે કારણે આપવામાં આવેલ પૂરેલ.</td>
</tr>
<tr>
<td>Total Rs.</td>
<td>Total Rs.</td>
</tr>
<tr>
<td></td>
<td>કારણે આરોખે કારણે આપવામાં આવેલ પૂરેલ.</td>
</tr>
</tbody>
</table>

Certified Correct for purposes of Settlement.

નામનો નામ કારણે પસાર છે.

Signature __________________________

Bombay, _____________________ 19

Checked by.
MEMORANDUM SLIP

FORM No. IX

The Native Share and Stock Brokers' Association.

Broker's name

Please note that \( \frac{1}{\text{We}} \) have to receive the undermentioned shares from you for the ________________ settlement.

<table>
<thead>
<tr>
<th>No. of Shares</th>
<th>Names of Companies</th>
<th>No. of Shares</th>
<th>Names of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Broker's No.

( Broker's Signature.)
### FORM E

The Native Share and Stock Brokers' Association Clearing House.

*Details of Shares delivered*

<table>
<thead>
<tr>
<th>No.</th>
<th>Settlement No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Company</th>
<th>Date, 192</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
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</tr>
</tbody>
</table>

RECEIVED FROM The Manager, The Native Share and Stock Brokers' Association CLEARING HOUSE, Shares with Signed Transfer Deeds as enumerated in their Detail List No. 192

Broker.