

Complaint against Trading Members

Investor Grievances

BSE has established a Department of Investors Services (DIS) to redress investors' grievances. Since its establishment in 1986, the DIS has played a pivotal role in enhancing and maintaining investors' faith and confidence by resolving their grievances either against listed companies or against BSE's Trading Members

Any investor having grievance against Trading Member can register complaint with BSE in respect of transactions executed on BSE in the prescribed Complaint form at the address mentioned below or to the nearest Regional Investor Service Centre of BSE along with necessary supporting documents. Kindly ensure that investor should also provide valid email id, mobile number and PAN.

Investor can also lodge a complaint through email at the address mentioned below or through the facility provided on BSE's website under Investor section " e-Complaint Registration"

Additionally, investor can also lodge a complaint on SCORE, a web based centralized grievance redressal system of SEBI

The complaints of investors against BSE's Trading Member's are forwarded to the concerned Trading Members for resolution. In case no reply is received from the Trading Member or the reply received from the Trading Member does not satisfy the complainant or the matter is not getting settled amicably, the same is placed before Investors' Grievances Redressal Committee (IGRC)

Investors' Grievances Redressal Committee (IGRC):

IGRC is a conciliatory mechanism; wherein, both the parties to the dispute are called before the Committee and efforts are made to arrive at the solution which is acceptable to both the parties.

However, pursuant to SEBI circular dated September 26, 2013, IGRC has been empowered to decide the claim value of the investor against the Trading Member on the basis of merit of the case.

The Exchange has formed separate IGRCs, for each Regional Investor Service Centre to deal with the complaints referred to it

The complaint amounting upto Rs. 25,00,000/- are referred to the IGRC comprising of one member and those amounting to more than Rs. 25,00,000/- are referred to the IGRC comprising of three members.

Payments to investors from deposits of member or IPF

SEBI vide its circular dated September 26, 2013 empowered the IGRC to decide the claim value of the investors against the trading members on the basis of merits of the cases. In case the claim value is decided by IGRC in favour of investor and accepted by the investor, the amount is blocked from the deposits of the member with the Exchange .

As per SEBI circular dated February 23, 2017, in case the claim is for amount less than Rs. 20 lacs following process is followed:

- If trading member intimates to the Exchange, within 7 days from receipt of IGRC decision, that he is challenging the decision of IGRC before arbitration, the investor is paid to the extent of 50% of claim amount decided by IGRC or Rs. 2 Lacs whichever is less, from IPF. In case the member fails to intimate the same within above period, the Exchange release the entire amount blocked from the deposits of the member to the client and settles the claim.

- In case the member files the arbitration and the award is finalised in favour of the investor and member opts to file Appeal, 50% of arbitration award amount or Rs. 3 Lacs whichever is less shall be released to the investor from IPF. The amount released shall exclude the amount already released to the client at clause (a) above.

- In case at Appellate Bench, the arbitration award is finalised in favour of the investor and member opts to file petition u/s 34 of Arbitration & Conciliation Act, 1996, then 75% of the amount determined in the appellate arbitration award or Rs. 5 lakhs, whichever is less, shall be released to the client from IPF of the Stock Exchanges. The amount released shall exclude the amount already released to the client at clause (a) and (b) above.

- Total amount released to the client through the facility of interim relief from IPF in terms of this Circular shall not exceed Rs. 10 lakhs in a financial year.

However, in case the investor lose the matter at any stage and decide not pursue the matter further, he has to refund the money received from IPF back. In case he fails to do so the Exchange will not allow that investor on the basis of PAN no. to trade on any of the stock exchanges and the demat account/s of the investor will be blocked till the time he refund the amount

The Exchange levies penalties on the Trading Member for not replying within the specified period to the complaints forwarded or not attending the IGRC meetings. Further, in case the Trading member fails to implement what is agreed before IGRC as recorded in the said minutes of the IGRC, the Exchange places the same before the Member Committee levies the penalties.

Complaints not taken up at the Exchange :

The Investor Services Dept. of the Exchange will not to deal with certain types of complaints. Illustrative list of nature of complaints that would not be handled by Investor Services Cell are as under.

- Complaints which are relating to entities which are not regulated by Exchange / entities which are not registered with Exchange as Trading Member
- Complaints which are relating to activities other than trading
- Complaints relating to transactions which are in the nature of loan or financing and not within the framework defined by the Exchange
- Complaints involving payment of funds and transfer of securities to entities other than Trading Member
- Complaints in respect of transactions which are already subject matter of Arbitration /Appellate Arbitration proceedings
- Claims for mental agony/harassment and expenses incurred for pursuing the matter with the ISC
- Claim for notional loss, opportunity loss for the disputed period or trade
- Complaints pertaining to trades not executed on the Trading System of the Exchange

- Claims of sub-broker/authorized persons for private commercial dealings with the trading member

BSE has started following Common Investor Service Centre at following locations, to provide Investor Grievance Redressal Mechanism to the Investors.

Name of Centre

Operations Effective From

Bhubaneswar

24th April, 2023

Delhi

13th May, 2023

Chandigarh

19th May, 2023

Guwahati

15th June, 2023

Dehradun

03rd July, 2023

Ranchi

14th July, 2023

Shimla

22nd July, 2023

Patna

31st July, 2023

Kanpur

04th August, 2023

Lucknow

05th August, 2023

Vadodara

18th August, 2023

Surat

19th August, 2023

Rajkot

15th September, 2023

The investors shall approach the nearest Common Investor Service Centre, as per the most recent address / registered office address of the constituent, as duly communicated in writing to the Trading Member in accordance with regulatory requirement is located. The hearings shall be held in Hybrid Mode, that is either virtually or at the nearest Common Investor Service Centre where the Applicant has filed the Application.

Note: The Arbitration mechanism available at Exchange, helps provide for resolution towards disputes arising between the Trading member and Constituents, out of or in relation to dealings, contracts and transactions made subject to the Bye-Laws, Rules and, Regulations of the Exchange or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfilment or the rights, obligations, and liabilities of the parties thereto and including any question of whether such dealings, transactions, and contracts entered into shall be submitted to arbitration in accordance with the provisions of these Byelaws and Regulations.

The Arbitration petition received will be placed before the Arbitrator/s for their consideration. The Arbitrator/s shall conduct the proceedings and based on the oral and written submission made by the parties shall conclude the same by passing an award. The Arbitration award is binding on both parties.

Common Investor Service Centres

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