

# **An appeal**

## ***Brig Vidyadhar Rao (retd.) v Invest Net Co Ltd***

Appeal from a judgment

in a consumer complaint for refund of depository charges collected with deception

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Facts are located in India. Laws of India apply. The complaint and the appeal have been filed under the Consumer Protection Act 1986.

This brief was made for the Eighth ILS Judgment Writing Competition at ILS Law College, Pune, held on 23 January 2013.

This brief is created from a consumer complaint of similar facts decided by the Pune District Consumer Redressal Forum, and has been suitably modified for the Competition by Dr Nilima Bhadbhade, Associate Professor, and Ms Rajalaxmi Joshi, both teachers at ILS Law College, Pune. Contents of some web-pages have been used with modifications.

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## **Assumptions**

1. The District Forum has territorial jurisdiction to hear the matter. Fees have been paid.
2. Complainant has filed his passport in the proceedings, which shows he left India on 1 April 2010 and returned to India on 10 October 2010.
3. Complainant has filed his affidavit with the complaint. Its contents are the same as the complaint.
4. An authorised person has filed affidavit on behalf of the Opposite Party. Its contents are the same as the Reply.
5. Opposite party did not file any affidavit or other evidence. It filed a statement that its earlier affidavit filed with their Reply is complete.
6. Page Nos 10, 11, 14, 15 and 16 of this brief are not very legible. They do not give any reference to Super Ace Brokerage Scheme or Plan.
7. Any other error will be corrected during the proceedings.

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BEFORE THE CONSUMER DISPUTES REDRESSAL FORUM PUNE

Complaint No. / 2012

Brigadier Vidyadhar Rao (Retd),  
aged 82 years,  
residing at 1234, Surashree Society,  
Near Balinder Bus Station,  
Deccan Gymkhana, Pune 411004.

... Complainant

v/s

Invest Net Co Ltd,  
567, Jamnanagar,  
Rohini, New Delhi-110017.

... Opposite Party

The Complainant abovenamed most respectfully submits as follows:

(1) The Complainant needed depository services for the purposes of applying for the IPO of Generix Stuart Ltd of Pune (by way of preferential allotment as relative of the Complainant's daughter who worked there). The Complainant had never traded in shares before or at any time. on 30 March 2010, the Complainant approached the Balinder Road office of the Opposite Party situated at Ground Floor, of Janaki building, 1236, Surashree Society. Near Balinder Bus Station, Deccan Gymkhana, Pune 411004. This Office is now closed. He approached this office because it was close to his house, and he could reach it without crossing any road, something he found difficult at his age. The Complainant explained the advisers of the Opposite Party at that office about his need :- immediate depository services because he was to visit USA immediately. The adviser of the Opposite Party at the office suggested to the Complainant a plan where the Complainant shall pay Rs 499 and then could also trade online if he wanted. This would carry a deposit of Rs 15000 with interest. The adviser of the Opposite Party gave papers for signatures, which the Complainant signed. The Complainant paid Rs 15499 by a cheque. The Complainant did not receive copies of these signed documents at that time. The adviser of the Opposite Party filled the details. The Complainant was eventually not allotted any shares by the Generix Stuart Ltd.

(2) The Complainant left for the USA immediately on 1 April 2010, and returned on 10 October 2010. Since he had not received any shares, and did not need the depository account, the Complainant approached the office of the Opposite Party for closing the account and for return of Rs 15000. The Complainant was then informed for the first time that the amount of Rs 15000 was 'super ace brokerage', and not refundable. The Complainant was never informed before this time that the amount was towards brokerage. The Complainant did not understand how the Complainant could be liable for brokerage without any transactions. The documents that the Complainant received from the Opposite Party after opening the account and the literature the Opposite Party sent as part of the 'kit', did not mention that the amount of Rs 15000 was towards brokerage. These documents and literature do not mention at all the term 'super ace'. The Complainant had no reason to believe before October 2010 that the amount collected was 'super ace brokerage' or that it was not refundable.

(3) The Complainant wrote an email to the Opposite Party on 22 October 2010, to which the Opposite Party replied for the first time by email dated 28 October 2010 attempting to explain the amount. The Complainant came to know for the first time that the amount could be reversed to the Complainant depending on the volume of online trading in shares. The Complainant came to know details of this fraud only on 28 October 2010. The Complainant demanded original agreement and documents from the Opposite Party since the Opposite Party had not given a copy to the Complainant. The Opposite Party sent with their email dated 8 Dec 2010 to the Complainant only a one-page document titled 'addendum' bearing the Complainant's signature. The Opposite Party has never given or made available to the Complainant the INCO Super Ace Plan stated in the 'addendum'. The Complainant never was, nor is aware of the INCO Super Ace Plan. The Complainant had never asked for any additional services or Scheme from the Opposite Party.

(4) The Complainant pursued the matter from time to time with the above office of the Opposite Party, but the Complainant did not receive any attention. That office could not even identify or find out the adviser (representative) who had dealt with the Complainant's case in March 2010. Despite correspondence and many visits to that office, the Opposite Party refused to return the amount to the Complainant. Emails written by the Complainant give details of how the Complainant pursued the matter. These emails dated 31 Oct 2010, 3 Nov 2010, 11 Nov 2010, 15 Nov 2010, 4 Apr 2011 are filed with the complaint.

(5) The Complainant is 82 years old, and was 79 when the Complainant approached the office of the Opposite Party at Balinder Road, Pune 4. The Complainant was never familiar with the internet (except browsing and emails), nor with internet payment systems or online transactions. The Complainant has never been familiar with online trading. The Complainant was not familiar with share or mutual fund trading at all, or its terminology. The Complainant had never traded in

shares before. The Complainant never knew about commodity trading, and never intended to do commodity trading at any time.

(6) The Complainant states that the Opposite Party has collected Rs 15000 by practising the grossest of fraud. The adviser of the Opposite Party who assisted the Complainant in opening the account represented falsely that the amount was a deposit and induced the Complainant to pay the amount. The adviser of the Opposite Party owed a duty of good faith as an adviser, especially considering the age of the Complainant and that he had no background of online trading. The Complainant depended totally on the statements of the adviser of the Opposite Party, and the adviser of the Opposite Party was well aware of this fact and dependency. The Complainant states that the adviser of the Opposite Party could have, but failed to advise options with lower payments (less than Rs 15000). Considering the Complainant's age and inexperience about share market transactions and online trading, the adviser of the Opposite Party should not have suggested a scheme that would require the Complainant more than his lifetime to ever reclaim the amount of Rs 15000 in the manner the alleged scheme of the Opposite Party envisaged. The promise of the Opposite Party to reverse the amount against brokerage arising from trading was illusory. It was a promise not ever possible of performance, and was never meant to be performed. It was fraud. It was the duty of the representative of the Opposite Party to explain to the Complainant in detail all aspects of online trading, terminology and the purpose of Rs 15000. Had the representative done that, the Complainant would not have paid the amount. Hence the Complainant claims 18 % interest on the amount of Rs 15000 from March 2010.

(7) The Complainant submits in advising a plan of Rs 15000, when lower plans were available, the Opposite Party has become liable for deficiency in giving services.

(8) The Complainant submits that collecting an amount upfront to be adjusted against brokerage arising from trading is an unfair, as well as a restrictive trade practice. The Complainant also submits that forcing a customer to subscribe to online 'trading platform', or to any additional scheme at the time of providing depository services is a restrictive trade practice.

(9) The Complainant sent to the Opposite Party a notice of 18 June 2011 demanding the amount. The Opposite Party did not pay the same.

(10) Hence the Complainant sent a notice through Advocate J M Sagar on 2 April 2012 demanding the amount. The Opposite Party gave a reply of 17 April 2012, contents of which are denied by the Complainant. The Opposite Party did not pay the amount.

(11) The Complainant claims the following amounts from the Opposite Party as follows:

<b>Item</b>	<b>Amount in Rs</b>
Amount collected by the Opposite Party	15000.00
Interest on above @ 18 % from 1 April 2010	6930.00
Time and effort of the Complainant spent in visiting office of the Opposite Party from time to time, and email correspondence for resolving this matter.	10000.00
Charges of legal advice sought for this purpose	2000.00
Charges for notice of Advocate Sagar	2000.00
Punitive damages	30000.00
<b>Total amount</b>	<b>65930.00</b>

(12) The Complainant submits that the cause of action for this complaint first arose on 28 October 2010, when the Complainant came to know the fraud with details, and again on 8 December, when the Complainant received the document from the Opposite Party. This Complaint is therefore in time.

(13) The cause of action for this complaint arose in Pune. This Forum has jurisdiction.

(14) The Complainant submits that the Opposite Party took disadvantage of the age and lack of knowledge about online and internet based trading and transacting, used deception and fraud, and compelled the Complainant to pay the amount of Rs 15000. The Complainant therefore seeks punitive damages from the Opposite Party.

The Complainant therefore prays that

- (1) the Opposite Party may be ordered to pay to the Complainant an amount of Rs 65930;
- (2) The Opposite Party may be ordered to stop the unfair and restrictive trade practice of (i) collecting amounts as upfront brokerage to be adjusted against brokerage arising from trading, and (ii) of offering additional schemes for online trading at the time of providing depository services;
- (3) other just and proper orders may be passed.

Filed on 29 Oct 2010 at Pune

*Vidya Rao*  
Complainant



BEFORE THE CONSUMER DISPUTES REDRESSAL FORUM PUNE

Complaint No. / 2012

Brig. Vidyadhar Rao (Retd)

... Complainant

v/s

Invest Net Co Ltd

... Opposite Party

**LIST OF DOCUMENTS** filed in support of the complaint is as follows:

No.	Particulars	Date
1.	Letter of Opposite Party confirming opening of INCO Account	---
2.	Letter of Opposite Party confirming opening of INCO Commodity Trading Account	---
3.	Agreement between Opposite Party and Complainant	---
4.	Report Sheet by the Opposite Party	06 Apr 2012
5.	Statement of Funds and Securities given by Opposite Party	---
6.	Statement of Holdings given by Opposite Party	30 Jun 2010
7.	Copy of Passport of Complainant	(not in this brief)
8.	Email sent by Complainant to Opposite Party	22 Oct 2010
9.	Reply to above by Opposite Party	28 Oct 2010
10.	Email sent by Complainant to Opposite Party	03 Nov 2010
11.	Email sent by Complainant to Opposite Party, also in the trail, email of Opposite Party dated 10 Nov 2010 and email of Complainant of 31 Oct 2010	11 Nov 2010
12.	Email sent by Complainant to Opposite Party sent in the morning	15 Nov 2010
13.	Email sent by Complainant to Opposite Party sent in the afternoon	15 Nov 2010
14.	Email received from Anand kumar of Opposite Party	08 Dec 2010
15.	'Addendum' copy received from Opposite Party	---
16.	Email from Opposite Party to the Complainant, also in the trail email of complainant dated 4 Apr 2011.	07 Apr 2011
17.	Email from Opposite Party to Complainant	30 Jul 2011
18.	Notice sent by Adv J M Sagar on behalf of Complainant	02 Apr 2012
19.	Reply received from Opposite Party	17 Apr 2012
20.	Web-pages: Indiansharebrokker.com	20 Sep 2012
21.	Web-pages: Thestockagent.com	20 Sep 2012

*Vidya Rao*  
Complaint

## INVEST NET CO LTD

Invest with us. Be safe.

[www.investnetonline.com](http://www.investnetonline.com)

YOUR WORLD ONLINE

COMMODITY

C10317246

VIDYADHAR RAO  
1234, SURASHREE SOCIETY,  
D/GYMKHANA PUNE  
PUNE - 411004  
Contact Nos : 9876543210

Dear Customer,

We thank you for opening the most trusted and reliable INCO (CTA) Commodity Trading Account with us on [www.investnetonline.com](http://www.investnetonline.com) - a single gateway for all your financial needs. InvestNet Online offers to you an enriched and holistic experience for all kinds of investments and online needs and as a you degree portal, it will become Your World Online, beyond investments!

Your Trading ID is mentioned below. Just log on to [www.investnetonline.com](http://www.investnetonline.com) and access the trading platform with the Trading ID provided to you. In case you experience any difficulty in accessing our services online or Call-N-Trade support reach us on 1860-25-12345

Platform : INCOLITE  
Trading User ID : N248756  
Email ID : [vidvarao@gmail.com](mailto:vidvarao@gmail.com)

You are requested to verify the following particulars submitted by you while applying for the opening of your account. Scanned copy of the entire KYC document entered into by you with us is available in your CRN login. In case you require a hard copy of the KYC document or in case of any discrepancy, please intimate us for necessary updation at [Inco@investnet.com](mailto:Inco@investnet.com).

Particulars	Details	Particulars	Details
DP Name	NOT APPLICABLE	Bank Name	ORIENTAL BANK OF COMMERCE
DP ID	NOT APPLICABLE	Bank Account No.	10882011007654
Depository Client ID	NOT APPLICABLE	Income	between 1 to 5 Lakh
PAN	ABGPB98765M	Mobile No.	9876543210

Enclosure: Commodity Leaflet

Your login password and transaction password, is being sent to you separately. For any assistance please call us or mail at: [INCO@INVESTNET.COM](mailto:INCO@INVESTNET.COM)

*This is a computer generated document hence does not require signature.*

### INVEST NET CO LTD

NCDX Membership Regn No 0003, MCX Membership Regn No 12370, NMCE Membership Registration No CL063  
Unique Member ID: MUHUYNCORP0702 NCDX /UYNCORP002 NMCE /UYNCORP0045

Registered Office: 567, Jammannagar, Rohini, New Delhi-110017.

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**C1031724676**

VIDYADHAR RAO

1234, SURASHREE SOCIETY,

D/GYMKHANA PUNE

PUNE - 411004

Contact Nos : 020 5660157 9657566722

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Your Trading ID and Depository ID are mentioned below. Just log on to [www.investnetonline.com](http://www.investnetonline.com) and access the trading platform with the Trading ID provided to you. In case you experience any difficulty in accessing our services online or Call-N-Trade support reach us on 1860-25-12345

Platform : **INCOLITE**  
Trading User ID : **N246756**  
Market Segment : **CURRENCY, DERIVATIVE, EQUITY**  
Account Activation Date : **05/04/10(dd/mm/yy)**  
Email : [vidyarao@gmail.com](mailto:vidyarao@gmail.com)

You are requested to verify the following particulars submitted by you while applying for the opening of your account. Scanned copy of the entire KYC document entered into by you with us is available in your CRN login. In case you require a hard copy of the KYC document or in case of any discrepancy, please intimate us for necessary updation at [rao@religareonline.com](mailto:rao@religareonline.com)

Particulars	Details	Particulars	Details
DP Name	INVEST NET CO LTD	Bank Name	ORIENTAL BANK OF COMMERCE
DP ID	IN300098	Bank Account No.	10882011007654
Depository Client ID	15071413	Income	between 1 to 5 Lakh
PAN	ABGPB98765M	Mobile No.	9876543210

The following are enclosed for your reference and information:

1. Religare online leaflet.
2. Copy of the DP Client Master.
3. Delivery Instruction Booklet.
4. Demo CD to guide you through the product.
5. Trade rewards leaflet.

Your login, transaction passwords & Call-N-Trade TPIN are being sent to you separately. For any assistance please call us or mail at [INCO@INVESTNET.COM](mailto:INCO@INVESTNET.COM)

*This is a computer generated document hence does not require signature.*

**INVEST NET CO LTD**

NCDX Membership Regn No:0003, MCX Membership Regn No:13379, NMCE Membership Registration No:CL253  
Unique Member ID: MUHUYN/COMPS0799, NCDX: UYNCOMPS08, NMCE: UYNCOMPS08

Registered Office: 567, Jamnagar, Rohini, New Delhi-110017.

**Agreement between the depository participant and the person seeking to open an account with the depository participant**

This agreement made and entered into this 5 day of April 10 between  
*Vidyadhar Rao* situated at *1234, Surashree Society, Near  
Balinder Bus Station, Deccan Gymkhana, Pune 411004*  
(hereinafter called the Client) and **Invest Net Company Limited** having registered office  
at 567, Jamnanagar, Rohini, New Delhi-110017 (hereinafter called the Depository  
Participant).

**Witnesseth**

**WHEREAS** the Client has furnished to the Depository Participant the duly filled in application form requesting therein to open an account with the Depository Participant.

**NOW THEREFORE** in consideration of the Depository Participant having agreed to open an account for the Client, both the parties to the agreement hereby covenant and agree as follows :

1) The Client shall pay such charges to the Depository Participant for the purpose of opening and maintaining his account, for carrying out the instructions of the Client and for rendering such other services as may be agreed to from time to time between the Depository Participant and the Client as set out in Schedule A. The Depository Participant shall reserve the right to revise the charges by giving not less than thirty days notice in writing to the Client.

2) The Client shall have the right to get the securities which have been admitted on the Depository dematerialised in the form and manner laid down under the Bye Laws and Business Rules. The Depository Participant further undertakes that it shall not create or permit to subsist any mortgage , charge or other encumbrance over all or any of such securities submitted for dematerialisation except on the instructions of the Client.

3) The Depository Participant hereby undertakes that it shall maintain a separate account of its own securities held in dematerialised form with the Depository and shall not commingle the same with the securities held in dematerialised form on behalf of the Client.

4) The Depository Participant undertakes that a transfer to and from the accounts of the Client shall be made only on the basis of an order, instruction, direction or mandate duly authorised by the Client and that the Depository Participant shall maintain adequate audit trail of such authorization.

5) The Depository Participant agrees that the Client may give standing instructions with regard to the crediting of securities in his account and the

Depository Participant shall act according to such instructions.

6) The Depository Participant undertakes to provide a transaction statement including statement of accounts, if any, to the Client at fortnightly intervals unless the Depository Participant and the Client have agreed for provision of such statements at shorter intervals. However, if there is no transaction in the account, then the Depository Participant shall provide such statement to the Client atleast once a quarter.

7) The Depository Participant shall have the right to terminate this agreement, for any reasons whatsoever, provided the Depository Participant has given a notice in writing of not less than thirty days to the Client as well as to the Depository. Similarly, the Client shall have the right to terminate this agreement and close his account held with the Depository Participant, provided no charges are payable by him to the Depository Participant. In such an event, the Client shall specify whether the balances in its account should be transferred to another account of the Client held with another Depository Participant or to rematerialise the security balances held. Based on the instructions of the Client, the Depository Participant shall initiate the procedure for transferring such security balances or rematerialise such security balances within a period of thirty days, as per the procedure laid down in the Bye Laws and Business Rules. Provided further, termination of this agreement shall not affect the rights, liabilities and obligations of either party and shall continue to bind the parties to their satisfactory completion

8) On the failure of the Client to pay the charges as laid out in clause (1) of this agreement within a period of thirty days from the date of demand Depository Participant shall terminate this agreement and close the account of the Client by requiring it to specify whether the balances in its account be transferred to the account of the Client held with another Participant or be rematerialised in the manner specified in the Bye laws and Business rules.

9) The Client further agrees that in the event of the Client committing a default in the payment of any

of the amounts provided in clause (1) within a period of thirty days from the date of demand, without prejudice to the right of the Depository Participant to close the account of the Client, the Depository Participant may charge interest @ not more than 24% p.a. or such other rate as may be specified by the Executive Committee from time to time for the period of such default. In case the Client has failed to make the payment of any of the amounts as provided in clause (1) of this agreement, the Depository Participant shall have the right to discontinue the Depository services till such time he makes the payment along with interest, if any, after giving two days notice to the Client.

10) The Depository Participant shall have a right to provide such information related to the Client's account as may be requested by the National Securities Depository Limited from time to time.

11) The Client shall have the right to create a pledge of the securities held in the dematerialised form with the Depository Participant only in accordance with the procedure and subject to the restrictions laid down under the Bye Laws and Business Rules.

12) The Depository shall not be liable to the Client in any manner towards losses, liabilities and expenses arising from the claims of third parties and from taxes and other governmental charges in respect of securities credited to the Clients account.

13) The Client may exercise the right to freeze his account maintained with the Depository Participant so as to lock the securities held with the Depository Participant in accordance with the procedures prescribed in the bye laws and business rules.

14) The Client may exercise the right to defreeze his account maintained with the Depository Participant in accordance with the procedure and subject to the restrictions laid down under the Bye Laws and Business Rules.

15) The Client shall notify the Depository Participant within, within seven days, of any change in the details set out in the application form submitted to the Depository Participant at the time of opening the account or furnished to the Depository Participant from time to time.

16) The Depository Participant undertakes to resolve all legitimate grievances of the Client against the Depository Participant within a period of thirty days.

17) The Depository Participant and the Client shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of National Securities Depository Limited and that such procedure shall be applicable to any disputes between the Depository Participant and the Client.

18) The Depository Participant and the Client further agree that all claims, differences and disputes, arising out of or in relation to dealings on the Depository including any transactions made subject to the Bye-Laws or Business Rules of the Depository or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfillment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions have been entered into or not, shall be subject to the exclusive jurisdiction of the courts at Mumbai only.

IN WITNESS WHEREOF the Client and the Depository Participant has caused these presents to be executed as of the day and year first above written.

Signed and delivered by (for and on behalf of the Client)

*Vidya Rao*

Signed and delivered by on behalf of the Depository Participant)

*JH Nambodiripad*

Witnesses: Name and Signature: *Rahul Dhanuka:*

*RRDhan*

Witnesses: Name and Signature: *Sudhir Sharma:*

**Sharma SS**



INVEST NET CO LTD (DPID IN300098)  
567, Jamnagar, Rohini, New Delhi-110017  
Phone: 0120654321, Fax: 0120654322

CLIENT MASTER

Report Date : 06/04/2019  
Page No : 1

Client Id 15071413  
Name Vidyadhar Rao  
Short Name Vidyadhar Rao  
Type Resident - Ordinary  
Category Non House Beneficiary Client

Status Active  
Branch PUNE  
Occupation Others  
Active Dt. 05/04/2010  
Clos/Susp. Dt.

Personal Details

Client Name Vidyadhar Rao  
Father/Husband Shankar Rao  
Address 1234, Surashree Society,  
Near Balinder Bus Station,  
D/GYMKHANA  
PUNE  
Pin Code 411004  
Phone No. 02025656565  
Fax No.

Other Address 1234, Surashree Society,  
Near Balinder Bus Station,  
D/GYMKHANA  
PUNE-411004  
Mobile 987654321  
Phone / Fax 02025656565  
POA Flag Y  
SMS Flag Y  
Stand.Inst. Y

Financial Details

A/c No. 10082011007654  
Bank A/c Type SAVINGS  
Bank Name ORIENTAL BANK OF COMMERCE  
Address Surashree Society,  
Near Balinder Bus Station  
Deccan Gymkhana  
PUNE  
Pin Code 411004

Micr Code 411022010  
I.T.P.A. No. ABGPB98765M  
SEBI Reg. No.  
Tax Status  
RBI Ref. No.  
RBI App. Dt.

Nominee / Guardian Details

Name  
Address Indicator  
Pin Code

Other Holder Details

2nd Holder Name PAN No.  
Father/Husband  
3rd Holder Name PAN No.  
Father/Husband

Other Details/ POA Signatories details

Template Code INCO  
Group Code  
Family Code  
Email Address vidyadhar@gmail.com Status Change Reason  
Authorised Signatories

POA details

POA ID	Type	POA Description	POA Status	No. of Signature	Sign
--------	------	-----------------	------------	------------------	------

## INVEST NET CO LTD

Invest with us. Be safe.

CLIENT CODE	BRANCH CODE	DEMAT A/c NUMBER
N245755	2457	15071413

Ref. No : QS-MH-NBMS-EPP-000317

Vidyadhar Rao  
1234, Surashree Society,  
Near Balinder Bus Station,  
D/GYMKHANA PUNE  
PUNE MAHARASHTRA 411004  
Tel.No. 9876543210

Dear Sir/Madam,

We thank you for your continued patronage. We are attaching herewith Statement of Funds and Securities for all segments in relation to your Trading account maintained with us for quarter ended JUNE 2010 along with your Depository Statement.

Please note you are registered with us for dealing on National Stock Exchange Limited and Bombay Stock Exchange Limited as well as MCK Stock Exchange Ltd. on the segment of the exchange such as Currency & Futures and Options(F&O) as well as Capital Market(Cash) segment as per agreement. If you wish to discontinue dealing on any of the exchange/segment, please revert immediately in writing to customer care at address mentioned below.

Please note that we have on our record your email id [vidyadharao@gmail.com](mailto:vidyadharao@gmail.com) and phone no as 25555555 and mobile no as 9876543210 on which various information such as margin calls, contract notes, financial statement & bills etc. are being sent.

Please note that the SEBI has directed revocation of those authorizations given by clients at the time of registering Power of attorney on their demat beneficiary/bank account in favor of stock broker or stock broker and depository participant which are inconsistent with standardized guidelines of SEBI. In our records you have registered power of attorney to Religare Securities Ltd on your demat beneficiary account. Please note from immediate effect, we will act as per standard and governing guidelines as per SEBI circular CIR/MD/DOMS/13/2010 dated 23rd April, 2010. SEBI Circular which are printed overleaf. All authorizations inconsistent with aforesaid circular stand revoked with immediate effect. In respect of revocation of POA permitted under the SEBI Circular, please intimate any such decision in writing executed by all joint holders, as applicable.

In terms of clause 22 of the SEBI circular for any merger/demerger, we shall await your feedback for a period of one month from the date of dispatch of intimation post which, unless otherwise intimated by you, we shall proceed with necessary actions.

CMBP ID	CM NAME
N24575 N768955	INVEST NET CO LTD INVEST NET CO LTD

DP NAME	DP ID	DEPOSITORY	BENEFICIARY ID
INVEST NET CO LTD INVEST NET CO LTD	IN30177 IN45342	NSDL CDSL	13000167/10099144/103775 13020000300024

Pursuant to SEBI circular for Quarterly Running account settlement, funds/securities due to you, if any were credited to your default bank and demat beneficiary account linked with us if you have not traded with us in quarter ending June, 2010.

If you have any discrepancies/error, you are requested to report in writing within 30 days of the receipt of this statement at address given below, failing which all the details mentioned and annexed shall be deemed accepted and binding on you.

Assuring you of our best services.

Yours truly,

CUSTOMERCARE  
For I INVEST NET CO LTD

**P.S. For immediate and real time transfer of payments, please forward your RTGS/NEFT/bank transfer details to us.**

### What can you do with your CRN?

- Access all your accounts viz.Equity, commodity, Mutul Fund and Depository under one window.
- Repository of Digital Contract Notes.
- Real-time updation of your account related information.

This is a computer generated letter and does not require any signature.

INVEST NET CO LTD

NCDX Membership Regn No 00023, MCX Membership Regn No 12379, NMCE Membership Registration No CD053  
Unique Member ID: MJH/UTN/CORP/0789, NCDEX A/INCORP/080, NMCE/ UTN/CORP/0043

Registered Office: 567, Jammnagar, Rohini, New Delhi-110017.

# INVEST NET CO LTD

Invest with us. Be safe.

## STATEMENT OF HOLDINGS

National Securities Depository Limited  
Invest Net Co Ltd

DPID IN000000 : Address: 907, Jamnagar, Rohini, New Delhi-110017  
Phone: 0112604321, Fax: 0112604322

Client Id : 15671413  
Name : Vidyadhar Rao  
Address : 1234, Surashree Society,  
Near Balinder Bus Station,  
DIOGYMKHANA  
PUNE  
411004

Report Date : 06/07/2010  
Status : Active  
Type :  
Sub Type :

No Transactions exist during 01/04/2010 To 30/06/2010  
Statement of Holdings as on : Wednesday, June 30 2010 08:02:24

ISIN	Company	Account Description	Quantity	Total
***** No Data to Print *****				

### Note:

- Any Discrepancy in the statement should be brought to our notice within one month from the date of statement.
- Instruction will be received against credit balance in the account.
- Depository accounts of those investor who have not provided their PAN details have been frozen (Suspended for debit). The status of your account is given above. In case status is 'Suspended for Debit', please provide your PAN details.
- Please note sale transaction charges to Religare pool A/c stand revised w.e.f 1st June 2009 as under:  
Sale - (Delivery to Religare pool A/c)  
c. Rs 10 (POA with RSL)  
d. Rs 15 (Non POA Clients)
- "You can now hold your mutual fund investment in this demat account. Contact your Depository participant or your stock broker for more information".  
YOU ARE REQUESTED TO KEEP YOUR BANK ACCOUNT DETAILS UPDATED INCLUDING 9 DIGIT MICR CODE IN OUR RECORDS, IN CASE THE SAME HAVE UNDERGONE ANY CHANGE, TO ENSURE DIRECT CREDIT OF DIVIDEND, IPO REFUND ETC.  
Kindly note that transaction statement for demat accounts with NIL transactions in a quarter will not be sent. However, the same shall be sent upon any subsequent transaction as per NSDL guidelines.

\*\*\* END OF HOLDING STATEMENT \*\*\*



ToFrom: Brig Vidyadhar Rao (retd)  
Sent: 22 October, 2010 11:06 AM  
To: customercare@investnet.in  
Cc: Vidyadhar Rao  
Subject: Invest Net Ac closure

To  
Invest Net Co Ltd  
Invest Net  
1236, Surashree Society.  
Deccan Gymkhana  
PUNE – 4110004

Sir,

I have a limited experience in Trading . After a long service in the Army, I wanted to learn about Market Trading, more as a past-time and learning.

After the introduction of Demat system, I had a few demat accounts at intervals for mutual funds. I am aware that the Provider charges a fee for the transactions.

I am in my 80th year; I found your office, situated within few yards of my house is reachable without crossing a road.. An IPO of a local popular IT Company was announced and the time available was short; I approached your office at Surashree Society for opening a Demat A/C and apply for the IPO. I was promised that the the time interval will be shortened and I will have the IPO.

At the time of becoming your customer I completed all the formalities; I was in a hurry for the new IPO and I had planned my visit to USA in the same week.

At that time I was persuaded to have a monitory deposit with Invest Net so that its interest will cater for the brokerage and other incidentals during my absence from from India.

I did oblige and issued a cheque for Rs 15,000/=, in the firm belief that it is an interest-bearing FD. On my past experience with NSDL A/Cs I had to open saving A/Cs which was fair and reasonable. No bank deposit was necessary.

For the reasons best known to me, I want to close my Demat A/C with Invest Net. When I approached your office, I was told that my FD of Rs 15,000/= is available only for Trading and that it is not refundable and it is non-negotiable !

I did not pay any deposit and I donot have any bank account with them. A working balance of less than Rs 1000/= is more than adequate for SHC. I am free to close my Demat A/C at my pleasure and claim my balance amount.

Your way of dealing with the customer is clearly a FRAUD. I was trolly misled at the initial stage, and now your office is taking undue advantage of the fact the my money is at present with you. My application for closure of Demat is pending with you.

I request you to follow the normal practice of the market and finance and refund my deposit amount with the interest, deducting a justifiably explainable amount, if any.

I trust that you will not force me to take any further action; I can assure you that my further action will inflict severe damage to your image , if you have any.

Thanking you,

Truly yours

(Vidyadhar Rao)

Client Id-15071413

Page 1 of 2 1 of 2

From: <wecare@investnet.com>  
To: <vidyaraogmail.com>  
Sent: Thursday, October 28, 2010 6:11 PM  
Subject: RE: Refid: InvestNet-4043453 Invest Net mail.docAc closure  
Dear Sir/Madam,

We thank you for writing to us.

This is with reference to below email, this is to inform you that Rs. 15000/-paid towards super ace brokerage scheme is non refundable but the brokerage generated will be reversed to your account on timely basis depending on your trading. The validity of the plan chosen by you is 12 month from the date of its activation and it entitles you, during the validity period, for reversal of your brokerage charges up to the cost of subscription fee.

Further, you are requested to kindly confirm the location where you have submitted the account closure form so that we may check & resolve your concern at our end on priority.

Please feel free to mail us at wecare@investnet.com or speak with us on the customer care number in order to help us serve you in the best possible way. Our new customer Care number is 1860-25-12345.

We assure you of a diligent service at all times.

Regards

Invest Net Relationship Team

-----Original Message-----From:  
vidyaraogmail.com  
Sent: 22/10/2010 11:13 AM  
To: customercare@investnet.in  
CC: "Vidyadhar Rao"  
Subject: Refid: InvestNet-4043453 Invest Net mail.docAc closure  
To  
Invest Net Capital Assist Management Ltd  
Ganesh Wadi,  
PUNE – 4110004  
Sir,

I have a limited experience in Trading . After a long service in the Army, I wanted to learn about Market Trading, more as a past-time and learning. After the introduction of Demat system , I had a few demat accounts at intervals for mutual funds. I am aware that the Provider charges a fee for the transactions.

I am in my 80th year; I found your office, situated within few yards of my house is reachable without crossing a road.. An IPO of a local popular IT Company was announced and the time available was short; I approached your office at Surashree Society for opening a Demat A/C and apply for the IPO. I was promised that the the time interval will be shortened and I will have the IPO.

At the time of becoming your customer I completed all the formalities; I was in a hurry for the new IPO and I had planned my visit to USA in the same week.

At that time I was persuaded to have a monitory deposit with Invest Net so that its interest will cater for the brokerage and other incidentals during my absence from from India.

I did oblige and issued a cheque for Rs 15,000/=, in the firm belief that it is an interest-bearing FD. On my past experience with NSDL A/Cs I had to open saving A/Cs which was fair and reasonable. No bank deposit was necessary.

For the reasons best known to me, I want to close my Demat A/C with Invest Net. When I approached your office, I was told that my FD of Rs 15,000/= is available only for Trading and that it is not refundable and it is non-negotiable !

I did not pay any deposit and I donot have any bank account with them. A working balance of less than Rs 1000/= is more than adequate for SHC. I am free to close my Demat A/C at my pleasure and claim my balance amount.

Your way of dealing with the customer is clearly a FRAUD. I was totally misled at the initial stage, and now your office is taking undue advantage of the fact the my money is at present with you. My application for closure of Demat is pending with you.

I request you to follow the normal practice of the market and finance and refund my deposit amount with the interest, deducting a justifiably explainable amount, if any.

I trust that you will not force me to take any further action; I can assure you that my further action will inflict severe damage to your image , if you have any.

Thanking you,  
Truly yours

(Vidyadhar Rao)  
Client Id-15071413

From: Brig Vidyadhar Rao (retd)  
Sent: 03 November, 2010 10:58 PM  
To: wecare@investnet.com  
Cc: Vidyadhar Rao  
Subject: InvestNet-4043453 Closure of Demat Ac

Please refer InvestNet-4081477

I find that I had issued Chq NO 242040 dated 16.03.2010, for an amount of Rs 15499/= which has since been debited to my account with Oriental Bank of Commerce, Br F.C. Road, Pune-04.

As I had told you earlier that the amount of Rs 15000/= was against an interest-bearing deposit and the balance i.e. Rs 499/= was towards the initial subscription for starting the trading. This was the clear understanding and undertaking given to me by your representative then.

At the time of closure of the Ac, it was for the first time that I was made to understand that the entire amount, as deemed by you, stands debited towards 'Super ace brokerage'.

As I had communicated to you earlier I have had experience with few more Demat deals in the past which were totally transparent and gave no room for mis-communication. I was fully aware of the transactions, the charges payable by me etc. There were no hidden or implied impressions. The Broker had no hidden / remotely controlled devices. There were no camouflaged land mines in the form of jargons, ultra modern 'Super ace', or any matter written in invisible ink !

At this stage I want to convince my self about my commitments which I had made to you at the introductory stage.

Please be good enough to furnish me the xeroxed copies of documents / Forms etc which I recollect to have set my signatures on. The original records must be in your custody. I want to assure myself that I do not overstep my brief.

Soliciting your cooperation,

sincerely yours

Vidyadhar Rao.

From: Brig Vidyadhar Rao (retd)  
Sent: 11 November, 2010 10:43 PM  
To: wecare@investnet.com  
Subject: Re: Refid: InvestNet-4081477 InvestNet-4043453 Ac closure

Kindly give me copies of all documents I submitted at the time of opening my account with you. Clear scanned copies will do. Please send the documents to vidyarao@gmail.com.

I need these for further legal advice in the matter.

Vidyadhar Rao

.  
----- Original Message -----

From: wecare@investnet.com  
To: vidyarao@gmail.com  
Sent: Wednesday, November 10, 2010 12:58 PM  
Subject: Refid: InvestNet-4081477 InvestNet-4043453 Ac closure

Dear Mr. V Rao,

This is with reference to your telephonic query regarding Super Ace Plan.

We would like to inform you that the matter has been taken up at our local Invest Net Branch. As confirmed one of our branch personnel Mr. Anand Kumar has tried to contact you on at your registered number 9876543210 to address your concern but the number is continuously not reachable.

Hence, we request you to provide an opportunity to Mr. Anand Kumar to address your concerns. Kindly confirm us your alternative contact number or contact Mr. Keshav Anand at his contact number +91 020-39940384 (Monday to Friday between 9:30 AM to 6:30 PM - IST) so that we may assist you with the appropriate resolution.

We value your relationship with Invest Net.

Regards,

Invest Net Relationship Team

-----Original Message-----

From: vidyarao@gmail.com  
Sent: 31/10/2010 12:03 PM  
To: wecare@investnet.com  
Subject: Refid: InvestNet-4081477 InvestNet-4043453 Ac closure

I had submitted my application for closure of my account at your office located at Surashree Society, Dn Gymkhana, PUNE-411004. I had explained the reasons for opening the account very close to my residence, Surashree Society.

As I had explained earlier, the amount of Rs 15,000/= which I had paid was in the good faith that this will be an interest-bearing FD with you and it will be treated as a security deposit. My Trading account with Invest Net is not my first such account. Earlier at various times I had such Trading accounts for mutual funds with Western Bank of India, Janata Sahakari Bank etc located in Pune city. Their requirement was of having a running SB account, its credit balances were used for the trading and the brokerage etc; NO Fixed Deposit or assurance fund was required. The dealings were superbly transparent.

While I was opening my account with you, I was given the assurance that the interest-proceeds of my FD (Rs 15,000/=) will be utilised against your Trading charge/brokerage etc, which I thought was a reasonable intention.

At the time of my Ac-closure, your strange and out-of-world excuse that my FD is treated by you as volatile amount and it is NOW a "super ace brokerage scheme", a self-coined terminology, and further, that it is non-refundable is a frauduland and a crudely cheating discovery. My experience of Trading the dealings were tranparent and reasonable; free from hidden, self invented fraulant terminologies and shady intentions.

It will be a great education for me if you can reveal that you had ever, in the past or at the opening of my account even remotely mentioned/ documented that my lump sum fund with you will automatically diminsh without my consent and willingness. Coinage of the term "super ace brokerage" , a cleverly camouflaged financial land mine to be used at your convenience, must an unique invention by you I wonder if any such parellel exists at present.

At this late juncture please advise me as to how I can save my amount locked up with you. I request to give me a customer friendly advise, say for fresh investment etc to consume the balance of my fund.

yours truely  
Vidyadhar Rao

From: Brig Vidyadhar Rao (ret'd)  
Sent: 15 November, 2010 8:19 AM  
To: wecarere@rligareonline.com  
Subject: persistent delay-ID 15071413

My client ID- 15071413.

You have not replied my letter of 11-11-2010 about the nomination form.

Personally I called on your office located at Surashree Society, Pune-411004. many a times : no satisfactory reply---- persons on leave.

It is surprising that the original office should not have ANY record(Scan, Xerox, Electronic ....) for personal verification of the original record / agreement. The hide and seek must be put to an end.

You have failed to confirm the closure of my demat a/c; I keep getting mails about market news etc; I certainly don't want from you.

Confirm IMMEDIATELY :-

- i) Closure of my demat a/c..... there are NO transactions.
- ii) Refund Rs 15,000/= deposit with interest.

Your persistent delay is agonizing.

Sincerely

Vidyadhar Rao

From: Brig Vidyadhar Rao (retd)  
Sent: 15 November, 2010 1:45 PM  
To: wecare@investnet.com  
Cc: Vidyadhar Rao  
Subject: Personal visit-Surashree Society office.

On fresh telephonic enquiry I was invited to visit the office. I visited at 1230hrs today, Mon, 15 Nov.

I failed to get a responsible answer in my case. The person concerned is reported on leave.

It is astonishing ( and fishy) that none of my original / xeroxed /e-copied details of March 2010 are held by the office I first visited. The reps of Apr '10 are not available / shifted/ resigned; I am convinced that 'fly by night' personnel perform on their own; there is no awareness about SEBI guidelines, Rules or the prescribed Forms.

Invest Net performs in violation of the SEBI rules is evident from the press report( Ind Express -Pune, 19th Nov) that the Regulators had to penalize the Invest Net.

I demand immediate settlement of my case i.e Confirmation of closure my demat a/c as on 24 Oct 2010, and full refund of my FD (Rs 15,000/= with due interest).

I also insist that only a RESPONSIBLE official from Invest Net should deal with my case who will be officially held accountable. I do not want to spend time with the personnel in transit claiming ignorance and helplessness in the end.



From: Anand Kumar  
Sent: 08 December, 2010 9:23 AM  
To: vidyaraao@gmail.com  
Subject: Document

Dear Sir,

Plz find the enclosed for the document.

Our Values :      PASSION      |      INNOVATION      |      AMBITION      |  
DILIGENCE      |      TEAMWORK

This message is intended for the addressee only and may contain confidential or privileged information. If you are not the intended receiver, any disclosure, copying to any person or any action taken or omitted to be taken in reliance on this e-mail, is prohibited and may be un-lawful. You must therefore delete this e-mail. Internet communications may not be secure or error-free and may contain viruses. They may be subject to possible data corruption, accidental or on purpose. This e-mail is not and should not be construed as an offer or the solicitation of an offer to purchase or subscribe or sell or redeem any investments.

**ADDENDUM****INCO-SUPER ACE**Name \*: *Vidyadhar Rao*

Date \* ... / ... / .....

Client Code/ Form No \* .....Email: \* *vidyarao@gmail.com*

<b>Particulars</b>	<b>Super Ace</b>
<sup>\$</sup> Cost of Subscription	Rs 15,000
Validity Period	12 months
Brokerage on Delivery Trades	0.15 %
Brokerage on Intraday Trades	0.15 %
Brokerage on Futures Trades	0.15 %
Brokerage on option trade (premium)	1% of Gross Premium Amount or Rs 50/- per lot whichever is higher

**Terms & Conditions:**

- Brokerage will be charged at the rates as mentioned in the above brokerage table, during the tenure of the scheme.
- During the tenure of scheme brokerage charged shall be reversed to a maximum cost of subscription only. Brokerage over and above it within the tenure of plan will have to be paid by the client at the same rate as quoted above.
- Taxes, duties and other charges shall be charged apart from the above specified brokerage as applicable from time to time.
- Minimum brokerage per scrip would be 1p.
- This plan would expire, at the expiry of the applicable validity period of account; and thereafter it may be renewed on the same terms and conditions. In case the client doesn't renew this plan, his account would be shifted under default brokerage plan.
- The plan may be terminated if circumstances beyond the control of Invest Net arise due to the regulatory directions, etc.
- Invest Net reserves the right to discontinue the scheme at any point of time.

I/We wish to avail the INCO SUPER ACE plan offered by you. I / We have understood the Plan details as given above and agree to abide by the same. I agree that subscription fee is non-refundable. You are hereby authorized to debit the subscription fee amount from my trading account for availing the facility. I enclose demand draft / pau order / cheque of Rs \_\_\_\_\_ as subscription fee for the scheme.

*Vidya Rao*

.....  
(Client Signature and Seal if applicable)

\* - compulsory fields

\$ Subscription amount is payable upfront and is nonrefundable.

From: wecare@investnet.com  
Sent: 07 April, 2011 2:31 PM  
To: vidyaraogmail.com  
Subject: RE: Refid: InvestNet-5065489 Re: Intimation of Super Ace/Freedom Plan Expiry

Dear Sir/Madam,

We thank you for writing to us.

This is with response of your below e-mail, we would like to inform you that The fee of Rs.15000, as mentioned on the addendum, is non refundable and is adjustable only against the brokerage generated by you on monthly basis. The validity of the plan chosen by you is 12 months from the date of its activation and it entitles you, during the validity period, for reversal of your brokerage charges upto the cost of subscription fee.

We welcome you to provide your feedback. Please click [here](#)

Please feel free to mail us at wecare@investnet.com or speak with us on the Customer helpline in order to help us serve you in the best possible way. Our new customer Care number is 1860-25-12345.

We assure you of a diligent service at all times.

Regards

Invest Net Relationship Team

-----Original Message-----

From: vidyaraogmail.com  
Sent: 04/04/2011 9:38 PM  
To: "We Care"  
CC:  
Subject: Refid: InvestNet-5065489 Re: Intimation of Super/Freedom Plan Expiry

To

Invest Net,

Thank you for your mail. I am happy that my account will close.

I insist for the return of my deposit of Rs 15,000 immediately. Kindly refer to my earlier demands and correspondence in this regard.

Kindly also note that I am preparing to pursue legal proceedings as may be advised for refund of the amount. I request you to refund Rs 15000 immediately, else I will be constrained to claim the same with interest and costs.

Sincerely,

Vidyadhar Rao.

----- Original Message -----

From: "We Care" <wecare@investnet.com>  
To: <vidyaraogmail.com>  
Sent: Monday, April 04, 2011 7:18 PM  
Subject: Intimation of Super Ace/Freedom Plan Expiry

Dear Sir/Madam,

Your subscription of 'Invest Net Super Ace' scheme in Equity Segment is getting expired on 05/04/2011.

Details of your scheme are mentioned below:

Client Id: N246756

Basis of Subscription : Upfront Subscription Charges

Cost of Subscription : Upfront Charges 15000

Activation Date: 06/04/2010

Expiry Date: 05/04/2011

If you wish to renew your subscription, please intimate us at [wecare@investnet.com](mailto:wecare@investnet.com) or the same will be reviewed as per management policy.

We have the following subscription schemes which you can avail.

Scheme and Subscription Charges:

Invest Net Platinum - Rs 50,000/-

Invest Net Gold - Rs 25,000/-

Invest Net Silver - Rs. 10,000/-

Invest Net Excel - Rs. 5,000/-

Invest Net Optima - Rs. 2,500/-

For more details, please contact us on our Client Services helpline 1860-25-12345.

**\*\*Scheme renewal is subject to sufficient funds available in ledger account.**

Thanks & Regards

Team Invest Net

From: wecare@investnet.com  
Sent: 30 July, 2011 11:03 AM  
To: vidyaraogmail.com  
Subject: Refid: InvestNet-5422158 Client ID N246756

Dear Mr. V Rao,

This is in reference to your letter dated June 18, 2011 and your subsequent communication with our official on the same.

We would like to inform you that amount of Rs.15000 have been debited from account, being subscription fee of Super Ace plan, on the basis of addendum duly signed by you. This fee of Rs15000, as mentioned on the addendum, is non- refundable and was adjustable only against the brokerage generated by you on monthly basis. The validity of the plan chosen by you was 12 months from the date of its activation and it entitled you, during the validity period, for reversal of your brokerage charges up to the cost of subscription fee.

We hope that we /our personnel have clarified the matter to your satisfaction and the information given would suffice to resolve your concerns. Please feel free to mail us at wecare@investnet.com or speak with us on the Client Services helpline number 1860-25-12345 in order to help us serve you in the best possible way.

We value your Relationship with Invest Net.

Regards,

Invest Net Relationship Team

2 April 2012

To

Invest Net Co Ltd,  
(1) 567, Jamnanagar,  
Rohini, New Delhi-110017

(2) Ground Floor, Janaki building,  
1236, Surashree Society.  
Near Balinder Bus Station,  
Deccan Gymkhana, Pune 411004.

Messieurs,

On behalf of and upon instructions from my client Brig. Vidyadhar Rao (Retd), aged 81 years, residing at 1234, Surashree Society, Near Balinder Bus Station, Deccan Gymkhana, Pune 411004, I am serving you with notice as follows:

1. My client has subscribed to your depository services under Client ID no 15071413.
2. In April 2010, my client needed depository services for the purposes of applying for IPO of Persistent Systems Ltd of Pune. My client approached the Surashree Society, Pune office (No 2 of you) because it was close to his house, and because he would have reached it without crossing any road, which he finds difficult at his age. My client explained to the advisers at your office about his urgent need :- depository services for that IPO because he was to visit USA immediately. The adviser (representative) at your office suggested to my client a plan where my client shall pay Rs 499 and then could also trade online if he wished. This would carry a deposit of Rs 15000 with interest. My client paid these amounts. The adviser gave papers for signatures, which my client signed. The adviser filled the details. Since you could not fulfil the deadline for that IPO, my client enrolled with Stock Corporation of India for the purposes.
3. My client left for the USA in April 2010, and returned in October 2010. My client approached your office for closing the account and for return of Rs 15000. My client was informed for the first time in October 2010 that the amount of Rs 15000 was 'super ace

brokerage', and not refundable. My client was never informed before this time that the amount was towards brokerage. My client had no reason to believe that my client would be liable for brokerage even if he did not make any transaction. None of the documents my client received after opening the account, nor the literature you sent as part of the introductory 'kit' mention that the amount was towards brokerage. These documents and literature do not mention at all the term 'super ace'. My client had no reason to believe before October 2010 that the amount collected was 'super ace brokerage' or that it was not refundable. My client came to know of this for the first time in October 2010. My client states that you have committed fraud.

4. My client pursued the matter from time to time with your office, but my client did not receive any attention. Your office could not even identify or find out the adviser (representative) who had dealt with my client's case in March 2010. Despite correspondence and many visits to your office, you have refused to return the amount to my client.
5. My client is 81 years old, and was 78 when my client approached your office at Surashree Society, Pune 4. My client neither was nor is familiar with the internet (except browsing and emails), nor with internet payment systems or online transactions. My client has never been familiar with online trading. My client was not familiar with share or mutual fund trading at all, or its terminology. My client had never traded in shares before. My client never knew about commodity trading, and never intended to do commodity trading at any time.
6. My client states that you have collected Rs 15000 by practising the grossest of fraud. The adviser in your office who assisted my client in opening the account represented falsely that the amount was a deposit and induced my client to pay the amount. The adviser owed a duty of good faith as an adviser, especially considering the age of my client and that he had no background of online trading. My client depended totally on the statements of the adviser at your office, and the adviser was well aware of this fact and dependency. My client states that the adviser at your office could have, but failed to advise options with lower payments (less than Rs 15000). Considering my client's age and lack of experience about share market transactions and online trading, the adviser should not have suggested a scheme that would require my client more than his lifetime to ever reclaim the amount of Rs 15000 in the manner your alleged scheme envisaged. It was the duty of your representative to explain to my client in detail all aspects of online trading, terminology and the purpose of Rs 15000. Had he explained this purpose, my client would not have paid the amount. Hence my client also claims 18 % interest on the amount of Rs 15000 from March 2010.
7. Assuming, without admitting, that the amount has been collected as an upfront brokerage, to be adjusted towards brokerage arising from trading, the collection of such amount in this manner is an unfair, as well as a restrictive trade practice.
8. My client sent to you a letter of 18 June 2011 demanding the amount. You did not pay the same. Hence this notice.
9. My client therefore calls upon you to pay an amount of Rs 44,400.00 as follows:

<b>Item</b>	<b>Amount (Rs)</b>
Amount collected by you	15000.00
Interest on above @ 18 % from 1 April 2010	5400.00
Time and effort of my client spent in visiting your office from time to time, and email correspondence for resolving this matter.	10000.00
Mental agony	10000.00
Charges of legal advice sought for this purpose	2000.00
Charges for this notice	2000.00
<b>Total amount claimed</b>	<b>44400.00</b>

10. My client asserts his right to claim interest @ 18% p.a. on the amount until the amount is received.
11. You are hereby called upon to pay the above amount to my client within ten days from receipt of this notice. Else my client will commence such proceedings against you as may be advised.

Thanking you,

Sincerely,

*J Sagar*

(J M Sagar)

Advocate



April 17, 2012

To,  
Mr. J.M.Sagar  
Office No 402, Kamalini Arcade  
Surashree Society,  
Deccan Gymkhana,  
Pune 411004

**Sub: Your letter on behalf of your client Mr. Vidyadhar Rao**

Sir,

We refer to your letter sent by you on behalf and instructions of your client Mr. Vidyadhar Rao. The averments of your letter are not only strongly denied by us but submitted that nothing should be deemed to be admitted by the reason on non-traverse or otherwise, save as otherwise, specifically admitted herein.

It appears that your client has not given true and correct picture about the matter and point-wise response given below to the averments of your letter, believe would clarify the position

1. The facts as stated in point no: 1 is correct and further submitted that your client has opened both trading and demat account with the company.
2. With reference to point no: 2 we are not aware of reasons of your client opening account with the company, however the same does not have any bearing on the grievance of your client. Further it is submitted that it was not the representative but your client who opted for trading platform for fee of Rs 499 and super ace scheme for Rs 15,000 by executing the necessary documents. The details were also confirmed to your client through separate call which is given to all the clients for confirming the scheme and details opted by the client. It is denied that the documents were not filed in by your client. It is further denied that amount of Rs 15000 was towards interest bearing deposit. It is submitted that stock broker unlike bank are not in business of taking deposits and lending and therefore your averment that an amount of Rs 15000 was towards interest bearing deposits itself drills hole in the story of your client.
3. With reference to point no: 3 it is submitted that the fact that your client was in USA from April 2010 to October 2010 is a matter of record, which even though correct does not support the contention of your client of any fraud being committed with him as account and documents pertaining to scheme were signed with his consensus. However pertinent to mention that averments are bald without adducing any documents in support of the averments. It is denied that your client only came to know in October that the amount of Rs 15000 was towards Super Ace Scheme and the same was non – refundable in nature. Your client was aware of account details since inception of the account.

4. The averments of point no: 4 are denied in toto. It is further submitted that since nothing was due and payable to your client question of refusing your client does not arise.
5. With reference to point no: 5 it is submitted that your averment that your client never traded in share before or knew about is contrary to earlier averment of your client where he had revealed that his account with the company is not the first and that earlier he maintained such accounts with Western India Bank and Janata Sahakari Bank. This proves as stated above that your client has not given true and correct facts of the case.
6. Point no: 6 of your letter is not only defamatory but derogatory in nature and we request you to advise your client to desist from such practices. It is further submitted in response to your point no: 6 and earlier submissions that your client was not advised anything but only explained/informed about the products/schemes which was voluntarily opted by your client. It is further submitted that it was only after explaining the purpose your client had issued cheque and it is wrong on part of your client to subsequently negate the same.
7. The allegations in point no: 7 are not only untrue but also baseless.
8. With reference to point no: 8 your client be put to strict proof thereof.
9. The claim as put your client in point no: 9 and 10 is bad in law and therefore cannot be acceded.
10. With reference to point no: 11 it is submitted that any unwarranted legal action from your client would be vehemently defended at the cost of your client as to risk and consequences, which please make your client noted.

For, Invest Net Co Ltd

*Achutan Justin*

Authorized Signatory

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## InvestNet securities brokerage charges



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Invest Net Company Limited (INCO) is the holding company for one of India's leading diversified financial services groups. INCO offers an integrated suite of financial services through its underlying subsidiaries and operating entities, includes loans to SME's, Capital Markets, Wealth Management, Life and Health insurance and Asset Management. INCO is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India.

As a group INCO caters to almost every segment of the market starting from mass retail to affluent, HNI's, UHNI's, mid-size corporates, SME's to large corporates and institutions. The group has a presence across 2000 plus locations in India and also has an international footprint beyond India through its Capital Markets & Global Asset Management businesses.

Invest Net Co Ltd. (INCO) is a wholly owned subsidiary of Invest Net Proprietary Limited (InNet), a leading diversified financial services group from India. INCO is one of the market leading securities firms in India serving over 8 lakh clients across both Offline and Online platforms. Through its extensive footprint extending to over 500 cities, the company offers broking services in Equity, Currency and Commodity (through its subsidiary Invest Net Commodities Limited) as well as depository participant services.

INCO is a member of the NSE, BSE, MCKSX, USE and a depository participant with NSDL and CDSL. INCO also offers TIN facilitation & PAN facility at select branches – a unique service to help an individual with PAN, TAN and TDSITCS returns related requirements. In addition, INCO is an NSDL-appointed enrolment agency for Aadhaar UID (Unique Identification Number) and an AMFI-registered mutual fund distributor.

### Account Types

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InvestNet allows customer to choose from a wide range of financial services through its sophisticated and customized trading platform called INCO-Eng (InvestNet Advanced Client Engine). Given below are 3 types of INCO-Eng accounts available to investors.

#### 1. Inco-eng (Basic)

Inco-Eng (InvestNet Advanced Client Engine) is a basic online trading account provided by InvestNet. Investors can trade and access their account information

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both online as well as over the phone. This account comes with a browser-based online trading platform with no requirement of an additional software installation. [FOR MORE INFORMATION AND OFFER, PLEASE CLICK HERE](#)



## 2. INCO Lite (Advanced)

INCO Lite is the advanced trading platform, which provides all the features as provided by INCO (Basic) account. Additionally it also provides real-time streaming stock quotes and alerts. This account comes with a browser-based online trading platform with no requirement of an additional software installation

## 3. INCO Pro (Professional)

As the name indicates this account is meant for high volume traders. In addition to the features mentioned above, it also comes with a Trading Terminal Software which needs to be installed on your computer. This terminal directly connects the investor to the stock market and is equipped with all industry standard Trading Terminal features such as technical charting (intra-day and EOD), multiple watch list, advanced hot-key functions for faster trading, derivative chains, futures & options calculator etc.

For both basic and advance accounts, trading is available online and through dedicated Call 'N' Trade Desk over phone.

# InvestNet's Trading Brokerage, AMC and Fees

InvestNet offers three kinds of online accounts (as stated above) with zero account opening fees. They provide different brokerage options based on the volume and frequency of trading, as well as to suit the needs of both beginners and traders.

## 1. Brokerage at InvestNet

On the basis of volume and frequency of trading, InvestNet provide different options for brokerages. On the broader way they divided into three categories:

### Classic Account

Intraday brokerage varies from 0.3% to 0.5%.

Delivery brokerage varies from 0.30% to 0.50%.

Derivatives brokerage varies from 0.3% to 0.5%.

### Freedom Account

In this payment scheme, investor has to pay a fix amount in advance for Monthly (Rs 500/-), Quarterly (Rs.1400), Half-yearly (Rs 2500) or Annual Subscription (Rs 4000). This one time payment enable account holder to trade for Rs. 3,00,000 intraday & derivative trading and Rs. 40,000 of delivery based trading for zero brokerage.

### Super Account

Super account has two payment options, Trump Zest and Trump Ace plan:

1. Trump Zest has annual subscription fees of Rs 2,500, Brokerage on Delivery Trades of 0.25% and Brokerage on Intraday Trades & F&O Trades of 0.025%.

2. Trump Ace has annual subscription fees of Rs. 15,000, Brokerage on Delivery Trades of 0.15% and Brokerage on Intraday Trades & F&O Trades of 0.015%.

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## InvestNet securities account opening and account types-

InvestNet securities offers 3 different types of accounts antheir trading platform is called Invest-Eng (InvestNet advanced client engine ).

Account details here -

INCO ( Basic )

INCO- Lite ( Advanced )

INCO -Pro 9( Professional )

InvestNet securities account opening charges - **ZERO**.

### Brokerage charges of InvestNet securities -

Classic Account Freedom Account **Super** Account

### Account details -

Classic account - Intraday brokerage varies from 0.3% to 0.5%.

Delivery brokerage varies from 0.30% to 0.50%.

Derivatives brokerage varies from 0.3% to 0.5%.

**Freedom account** - In this payment scheme, investor has to pay a fix amount in advance for Monthly

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(Rs 500/-), Quarterly (Rs.1400), Half-yearly (Rs 2500) or Annual Subscription (Rs 4000). This one time payment enable account holder to trade for Rs. 3,00,000 intraday & derivative trading and Rs. 40,00 delivery based trading for zero brokerage.

Super Account - Super account has two payment options, Super Zest and Super Ace plan

1. Super Zest has annual subscription fees of Rs 2,500, Brokerage on Delivery Trades of 0.25% and Brokerage on Intraday Trades & F&O Trades of 0.025%. 2. Super Ace has annual subscription fees of Rs. 15,000, Brokerage on Delivery Trades of 0.15% and Brokerage on Intraday Trades & F&O Trade 0.015%.

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Reply

**Karan**

20 Sep 2012 at 00:54

Pros There are no pros about the Investnet securities, there services are very pathetic in the market. I advice please do not go to open account in investnet. They dont have much knowledge about the equity schemes. I am struggling since more than 2 weeks but nobody in Investnet is unable to resolve my issue. I am unlucky that i have an account with Investnet.

Cons There are no pros about the investnet securities, there services are very pathetic in the market. I advice please do not go to open account in investnet. They dont have much knowledge about the equity schemes. I am struggling since more than 2 weeks but nobody in investnet is unable to resolve my issue. I am unlucky that i have an account with investnet.

Advice to Management  
Please improve your service level



Reply

**Trade master**

20 Sep 2012 at 00:56

My experience : Investnet Securities:1. They follow up very well only when they need your money i.e. to open account, to get the balance.2. They promise they will confirm

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**BEFORE THE HON'BLE PUNE DISTRICT CONSUMER REDRESSAL FORUM  
PUNE**

COMPLAINT NO:- 333 / 2012

Brigadier Vidyadhar Rao (Retd.)  
Age: 82 Yrs,  
R/at: 1234, Surashree Society  
Near Balinder Bus Station,  
Deccan Gymkhana, Pune 411004

... Complainant

V/S

Invest Net Co. Ltd.  
567, Jamnangar  
Rohini, New Delhi- 110017

... Opposite Party

**REPLY AND PRELIMINARY SUBMISSIONS/OBJECTIONS OF THE OPPONENT:**

Opponent most respectfully submits as under;

1. That the present complaint is false, frivolous, and vexatious and abuse of the process of this Hon'ble forum and therefore same is liable to be dismissed under Section 26 of the consumer protection Act. Opponent denies all the allegations of the Complainant against it and submits that nothing shall be deemed to be admitted by the reason of non-traverse or otherwise.
2. That the present complaint do not raise any consumer dispute as defined under the Consumer Protection Act and therefore the same is liable to be dismissed. As per Section 2(1)(d) of consumer Protection Act 1986 consumer means any person who,
  - a. buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment when such use is made with the approval of such person but does not include a person who obtains such goods for resale or for any commercial purpose; or
  - b. hires or avails of any services for consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who [hires or avails of] the services of consideration paid or promised or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person but does not include a person who avails of such services for any commercial purposes;

**[Explanation – For the purposes of sub-clause (1), “commercial purpose” does not include use by consumer of goods bought and used by him exclusively for the purpose of earning his livelihood, by means of self-employment.]”**



3. The Act clearly lays down exceptions. A user or buyer of goods or services obtained for any commercial purpose cannot claim that he is a consumer and therefore entitled to file a complaint. The words “commercial Purpose” may be interpreted widely to cover all cases where goods or services are purchased or availed for use in activities directly intended to generate profit. Thus, purchase of shares and sending it to transfer has been held to be a purchase for “commercial Purpose”. ( Anand Prakash V. A.M. Johri (2000) III CPJ 219 (Del))
4. In the present case the Complainant had opened demat account and trading account in stock market for the purpose of generating profits. The Complainant has also nowhere pleaded in the complaint that he is dealing with shares business as “self-employment” for livelihood. Not it has been alleged that the services provided by Opponent were being availed of exclusively for the purpose of his “livelihood” by means of “self-employment” by the Complainant. It must be born in mind that disputes between the parties relating to commercial purpose are excluded under the Act and not maintainable and liable to be dismissed as consumer Complaint.
5. The Opponent relies on the following judgements
  - a. Dr. V.K. Agarwal V Infosys Technologies Ltd. I(2013)CPJ373(NC)
  - b. Unit Trust of India V Sabitri Devi Agarwal 2000(2) CLT 260
  - c. Sunita Rani V. Zee Telefilms Ltd. III (2006) CPJ 350
6. That instant matter is also beyond the jurisdiction of this Hon’ble Forum because of reasons as stated below:

The Complainant while entering into agreement has submitted himself to the arbitration proceedings under rules, regulations and bye-laws of the exchange.

Relevant clause from the agreement is reproduced *Clause: 19 (b)” the client and the stock broker agree to refer any claims and / or disputes to arbitration as per rules, bye-laws and regulations of the exchange and circulars issued thereunder as may be in force from time to time.”*

The rules, regulations and Bye-laws of the exchange also state that any dispute between the member and the client has to be resolved through condition and arbitration mechanism provided by the exchange.

7. Without prejudice to whatever stated herein the Opponent hereby gives para-wise reply to the complaint filed by the Complainant
8. The contents of Para 1 of the complaint are not true and correct. The same are denied by the Opponent. The Complainant has not disclosed the full facts and has not approached this forum with clean hands. It is generally true that the Complainant had approached the Pune office of the Opponent to avail of services. The Opponent is not aware that whether the Complainant had ever traded in shares before or at any time. It is not true to say that the advisor of the Opposite party filled the details. It is further denied that the amount of Rs. 15,000/- was towards interest bearing deposit as alleged by the Complainant. The Opponent submits that unlike bank returns in capital markets are not fixed and which anyways an intermediary cannot and does not accept any deposit and give interest. An intermediary like



Opponent in stock market is purely allowed to offer demat services to hold the stock purchased on behalf of the client through secondary market through trading services. An intermediary gets brokerage for the same.

9. The contents of Para 2 are generally denied by the Opponent. It is not true to say that that when the Complainant approached the office of the Opposite party for closing the account it was then informed to him for the first time that the amount of Rs. 15,000/- was 'super ace brokerage' and not refundable. Prior to activation of this scheme, the details were also confirmed to the complainant through audit call made by the company's authorised person. Such call is given to all the clients for confirming the scheme and details opted by client before starting the scheme. In this call it was disclosed to the complainant that the amount of Rs 15000 was not refundable. The Complainant had responded positively to it. It is further denied that the Complainant had no reason to believe before October 2010 that the amount called was 'Super ace brokerage' or that it was not refundable. The Opponent submits that the Opponent Company provides the services like stock brokers to the people at large. The Opponent Company acts as brokers for trading community and provides the facility of demat account. The stock brokers unlike banks are not in business of taking deposits and lending. Rather the stock brokers are not allowed to do the same and therefore the contention that Rs. 15,000/- was towards interest bearing deposit are self-explanatory and drills holes in the story of the Complainant. The Complainant is a retired Brigadier and a well-qualified person. He has signed all the required documents only after going through the same. The Complainant is now trying to gain sympathy of the Hon'ble Forum by representing the twisted facts.
10. The contents of Para 3 are not generally true. It is not true to say that there was any fraud by the Opposite party. It is submitted that the Complainant was well aware of the scheme and had willfully opted for the same.
11. The contents of Para 4 and 5 are not true and correct. They are false and fabricated are denied by the Opponent in toto. Further it is not true to say that the Complainant did not receive any attention from the Opponent Company. The Opponent submits that the Opponent had answered all the quires of the Complainant. The Opponent has no knowledge about the online trading capabilities of the Complainant.
12. The contents of para 6 are not true and hence denied in toto by the Opponent. It is not true to say that the opposite party has practiced any fraud. It is not true to say that the advisor of the Opponent represented falsely that the amount was a deposit and induced the Complainant to pay the amount. It is submitted that the representatives of the company always act in the interest of the clients. The Complainant is making unnecessary and unwarranted remarks against the company with mala fide intention. The Complainant had clear idea about the scheme and therefore does not have any right to claim the said amount and hence of claiming interest does not arise at all.
13. The contents of para 7 and 8 are denied in toto. They are false and baseless. It is submitted that the Opponent is a renowned company. It is not true to say that it has indulged in any sort of alleged unfair trade practice or restrictive trade practice.

14. The contents of Para 9 are not true. The Opponent was never liable to pay a single Rupee to the Complainant for the reasons stated above and hence there was no any reason to pay the allege amount as demanded.
15. The contents of Para 10 are not true. It is generally true that the Complainant had issued a notice through Advocate to Opponent. The contents of the said notice are denied by the Opponent in its reply to the said notice. It is further submitted that the Opponent was never liable to pay a single Rupee to the Complainant for the reasons stated above.
16. The contents of Para 11 are denied by this Opponent. The particulars of the claim of the Complainant are false, fabricated and concocted. The Complainant is not at all entitled to claim the said alleged amount for the reasons already mentioned.
17. The contents of Para 13 are denied. This Hon'ble Forum does not have any jurisdiction to try, entertain and decide the present matter for the reasons stated earlier.
18. The contents of Para 14 are completely denied. The Complainant is trying to gain undue sympathy of this Hon'ble Forum by specifying the fact of his old age. It is not true that the Opponent has taken any disadvantage of the age and lack of knowledge. As mentioned earlier the Opponent has no knowledge about the online trading capabilities of the Complainant. The Opponent denies that the Claimant is entitled to claim any kind of damages from the Opponent.
19. It is therefore humbly prayed that the complaint of the Complainant may please be rejected with cost.

An affidavit in support of this written reply is filed herewith.

Pune

Date: 28 – 11 - 2013

Sd/-

Opponent

Sd/-

Advocate for the Opponent

BEFORE THE CONSUMER DISPUTES REDRESSAL FORUM PUNE

Complaint No. 333 / 2012

Brig. Vidyadhar Rao (Retd),

... Complainant

v/s

Invest Net Company Limited

... Opposite Party

Affidavit : Rejoinder and Evidence

I, Brig Vidyadhar Rao (retd), age 85 years, occupation pensioner, residing at 1234, Surashree Society, Near Balinder Bus Station, Deccan Gymkhana, Pune 411004, do hereby state on solemn oath and affirmation as follows:

- (1) In March 2010, I required depository services close to my residence so that I could walk without crossing any road. I needed an account urgently so that I could apply for shares of Generix Stuart Ltd (by way of preferential allotment as relative of my daughter who works there), and also because I was to proceed to USA immediately. I had never traded in shares before, or at any time.
- (2) I approached Investnet Co Limited situated at Ground Floor, of Janaki building, 1236, Surashree Society. Near Balinder Bus Station, Deccan Gymkhana, Pune 411004. I requested to have depository services for applying for shares of Generix Stuart Ltd. I approached this office because the office was very close to my house, and I could reach it without crossing any road, something I found difficult for my age. This was just three buildings away from our building. The adviser there took my details, he filled many forms in his handwriting, and asked me to sign them. I signed wherever he asked me to. He told me to pay Rs 499 and Rs 15000. When I asked him about Rs 15000, he said it was like a deposit and is refundable. I paid Rs 15499 by one cheque.
- (3) My daughter Suhasini stays in the same Society. She assists me in my email correspondence and other computer related tasks. She guides me about writing and editing matter. She also types and prints my emails and other matter on my computer. I do not make any online transactions. She does online utility payments for me using her computer. She has printed emails and web-pages for me filed with the Complaint. The contents of these emails are the same as the originals on my computer.
- (4) I discuss my investment matters with my daughter. After opening this account with Investnet, I mentioned to her about the payments of Rs 15499. She mentioned this deposit was very high, especially since depository services of the Stock Corporation were much cheaper.

- (5) I never invested in shares when I opened the account with InvestNet. Even thereafter, I have never invested in shares. I do not trade in shares or mutual funds myself. If I need to manage any funds, I do so through my adviser and broker Ms Janaki Samarth. Neither I nor my daughter trade online in shares or funds.
- (6) I did not use, was not able to use, and still cannot use, internet for banking or trading or payments. I can use the computer for simple tasks like sending and receiving emails, browsing on the internet, and writing matter in documents and spread sheets. I was not familiar with share or mutual fund trading at all, or its terminology. I never traded shares at any time, online or otherwise. I never knew about commodity trading when I opened the account with Investnet, nor did I ever intend to do commodity trading.
- (7) The adviser in the office of Investnet suggested to me a plan where the I shall pay Rs 499 and then could also trade online if I wished. This would carry a deposit of Rs 15000 with interest. I signed the papers the adviser gave to me. I did not have opportunity to read all the documents in detail, nor did the adviser explain to me the documents and investment jargon and terminology. The adviser filled the details. I did not receive any copies of these signed documents at that time. The adviser nor anyone in the Office gave me copies of documents I signed even though I asked. Since Investnet did not fulfil the deadline for that IPO of Generix Stuart Ltd, I enrolled with Stock Corporation of India for the purposes.
- (8) I left for the USA on 1 April 2010, and returned on 10 October 2010. I have filed the copy of my passport. Its contents are the same as the original. On returning, I went to the office of Investnet for closing the account and asked for return of Rs 15000. I was informed for the first time that the amount of Rs 15000 was 'super ace brokerage', and not refundable. I did not know before this time that the amount was brokerage. I had never engaged Investnet as my broker. I only wanted depository services. I did not understand how I could be liable for brokerage without any transactions.
- (9) I returned and checked the 'kit' I had received after opening the account. No document in the kit mentioned the words 'super ace' or broking services. There was nothing in the documents to indicate the amount of Rs 15000, nor that any amount was with Investnet representing brokerage, or that any amount was not refundable. These documents and literature do not mention at all the term 'super ace'. I had no reason to believe before October 2010 that the amount collected was 'super ace brokerage' or that it was not refundable. I have filed the paper documents received with the kit. I state that the standard form agreement in prescribed form between Investnet and I for depository services. I state that except for the signature as Sole/First Holder, the handwriting on the agreement is not my handwriting. I state that there is no mention of "Super ace Scheme" in this agreement. I state that Investnet did not send any documents about the 'Super ace Scheme' with the kit.
- (10) I received in July 2010 from Investnet the statement of funds and securities. I have filed it with the complaint. I state that this also does not mention any securities, nor does it mention the Super ace Scheme.
- (11) I do not remember whether I received an audit or confirmation call before the account started.

- (12) I wrote an email to Investnet on 22 October 2010. I have filed it with the complaint. Its contents are correct. I requested to close the account and asked for return of Rs 15000. Investnet replied to this email by email dated 28 October 2010 attempting to explain the amount. I have filed it with the complaint. I came to know by this email for the first time the term 'super ace brokerage', and that the amount of Rs 15000 could be reversed to me only depending on my trading. I realised only on receiving this email that I was defrauded.
- (13) I demanded by my email dated 3 November 2010 followed by emails dated 11 and 15 November 2010, the original agreement and documents from the Investnet since the Investnet had not given a copy to me. My emails are at filed with the Complaint. During this period some personnel from Investnet came to meet me from time to time, but they did not have sufficient background or information to answer my queries. The contents of my emails are correct.
- (14) Investnet sent with their email dated 8 Dec 2010 to me only a one-page document titled 'addendum' bearing my signature. I have filed a print-out of the addendum that I received as attachment to Investnet's email of 28 October 2010. The document does not have any date or client code number. It is not clear to which other document this document adds and is 'addendum'. I came to know for the first time from the addendum that the amount of Rs 15000 was a cost of subscription of a scheme. I state that I never needed or opted for any such scheme. The handwriting at the top of the page is not my handwriting. I cannot understand the technical details in the document like delivery trades, interday trades, future trades, option trade. I state that the purpose of the scheme was never explained to my by anyone at Investnet.
- (15) Investnet has never given or made available to me the INCO Super ace Plan as stated in the 'addendum'. I never knew, nor have I been able to find out what is the INCO Super ace Plan. I never asked for any additional services or scheme from Investnet beyond depository facility. I searched information about the INCO Super ace Plan on the Web-Pages of Investnet Securities in September 2012. There was no information of such Plan, or any such Plan if on web-pages is not accessible.
- (16) I pursued the matter from time to time with the above office of Investnet, but I did not receive any attention from Investnet. I could not even identify or find out the adviser (representative) who had dealt with my case in March 2010. Despite correspondence and many visits to that office, Investnet refused to return the amount to me. Emails that I wrote give details of how I pursued the matter. My emails dated 31 Oct 2010, 3 Nov 2010, 11 Nov 2010, 15 Nov 2010, 4 Apr 2011 are filed with the complaint. Contents of my emails are correct.
- (17) Investnet has collected Rs 15000 by practising deception. I state that I had made known my purpose of opening the account to Investnet. The adviser of Investnet who assisted me in opening the account represented falsely that the amount was a deposit and induced me to pay the amount. The adviser of Investnet owed a duty of good faith as an adviser, especially considering my age and that I had no background of share trading, and had no experience of online trading. I depended totally on the statements of the adviser of Investnet, and the

adviser of Investnet was well aware of this fact and my dependency. The adviser of Investnet could have, but failed to advise options with lower payments (less than Rs 15000). I have filed with the complaint copies of two web-pages of online security trading organisations ([www.indiansharebroker.com](http://www.indiansharebroker.com) and [www.thestockagent.com](http://www.thestockagent.com)) stating plans of Investnet. I downloaded these on my computer and printed them.

- (18) Lower versions (with less payment) of the basic scheme and Super Scheme were offered by Investnet. Considering my age and inexperience about share market transactions and online trading, the adviser of Investnet should not have suggested a scheme that would require me more than his lifetime to ever reclaim the amount of Rs 15000 in the manner the alleged scheme of Investnet envisaged. The promise of Investnet to reverse the amount against brokerage arising from trading was illusory. It was a promise not ever possible of performance, and was never meant to be performed. It was fraud. It was the duty of the representative of Investnet to explain to me in detail all aspects of online trading, terminology and the purpose of Rs 15000. Had the representative done that, I would not have paid the amount. Hence I claim 18 % interest on the amount of Rs 15000 from March 2010. I again state that considering the purpose I had made known to Investnet about purchase of shares of Persistent Systems, the adviser need not have advised me any scheme other than basic demat account.
- (19) In advising a plan of Rs 15000, when lower plans were available, Investnet has become liable for deficiency in giving services.
- (20) Collecting an amount upfront to be adjusted against brokerage arising from trading is an unfair, as well as a restrictive trade practice. It is also in the nature of penalty. Forcing a customer to subscribe to online 'trading platform', or to any additional scheme at the time of providing depository services, is a restrictive trade practice.
- (21) I sent to Investnet a notice of 18 June 2011 demanding the amount. Investnet did not pay the same. Hence I sent a notice through Advocate J M Sagar on 2 April 2012 demanding the amount. I have filed the notice copy with my complaint. Its contents are correct. Investnet gave a reply of 17 April 2012. I have filed the reply. Investnet did not pay the amount.
- (22) Investnet took disadvantage of my age and lack of knowledge about online and internet based trading and transacting, used deception and fraud, and compelled me to pay the amount of Rs 15000. I therefore seeks punitive damages from Investnet.
- (23) The cause of action for this complaint first arose on 28 October 2010, when I came to know the fraud with details, and again on 8 December, when I received the addendum.
- (24) I have therefore filed a complaint claiming an amount of Rs 65,390, and other reliefs.
- (25) I state that I never 'opted' for Super ace Scheme.
- (26) I deny that I was well aware of online trading. I deny that I was well versed with all concepts of trading and share market. I had demat accounts with banks; I state that I was required to have these for investment in mutual funds. I deny that the officers of Investnet revealed details of the Super ace Scheme at the time of opening demat account. I deny that the representatives of Investnet gave me all details. I deny that I did not avail of service. I state

that I asked for cancelling the account and return of money. I state that I am not aware and hence do not admit that the Super ace Scheme is as per rules and regulations governing share market.

(27) I state that I have never purchased or traded in any shares before filing the complaint or thereafter. I state that I never required any account for trading in shares. I state that I had demat accounts for purpose of holding mutual funds.

(28) I state that my complaint is not about buying and selling shares or securities. I state that I do not make it my business to trade in shares and securities. I state that since I neither traded or held, nor intended to trade or hold at the time of the transaction any shares or securities, I did not seek services of Investnet for earning profit. I state that I was 79 and a pensioner when I asked for Investnet's services. I did not require these services for commercial purpose or for earning my livelihood. I state that I do not indulge in speculation. I am a pensioner, and earn income by way of interest and income from mutual funds. I have a good pension and income from interest, and I am not required to earn for my livelihood. I state that I cannot do online trading. I state that for investing in mutual funds, I take assistance of my broker. I state that the purpose of buying shares in Generix Stuart Co was investment and not trading. I further state that although I applied for shares in Generix Stuart Company, no shares were allotted to me.

(29) I state that my complaint is not about buying and selling shares. I state that my complaint is not about any trading platform or deficiency in services of the trading platform. My complaint is that I never wanted or asked for or opted for the Super ace Scheme.

(30) I only wanted depository services to be able to purchase shares of Generix Stuart Ltd. I state that it would not have been possible to purchase these shares unless I had an account with a depository. I state that the services I sought from Investnet were not for any "commercial purpose". I also state that I never intended to use the services for "earning livelihood" or for "self-employment". I state that I sought this service only for being able to purchase shares of Generix Stuart.

Whatever is stated above is true to the best of my knowledge, information and belief, and I have therefore signed at Pune on the 17th of May 2014.

*Vidya Rao*

(Vidyadhar Rao)  
Affiant

Before me

**संदीप जामदार**

**Notary**

BEFORE THE CONSUMER DISPUTES REDRESSAL FORUM PUNE

QORAM

MR. JAYANT PATIL- PRESIDENT

MRS. JANAKI KULKARNI- MEMBER

Complaint NO: CC 333/2012

FILED ON 29/10/2012

DECIDED ON 4/9/2014

DURATION 1 YEAR 10 MONTHS 4 DAYS

Brigadier Vidyadhar Rao (Retd),  
aged 82 years,  
residing at 1234, Surashree Society,  
Near Balinder Bus Station,  
Deccan Gymkhana, Pune 411004.

... Complainant

v/s

Invest Net Co Ltd,  
567, Jamnanagar,  
Rohini, New Delhi-110017.

... Opposite Party

ADVOCATE J.M.SAGAR FOR COMPLAINANT  
ADVOCATE MR. SAMEER SUTAR,  
RESPONDENT

JUDGMENT BY MRS. JANAKI KULKARNI, MEMBER

**JUDGMENT**

**4 September 2014**

The Complainant has filed this complaint under sec 12 of the Consumer Protection Act alleging deficiency in services. His case is as follows

1. The complainant opened a depository account with the Opposite party for purchasing shares because he wanted to purchase shares of Generix Stuart Ltd. And he wanted to leave for USA. He paid Rs. 499 and opened the account. The advisor of the Opposite party suggested to keep Rs. 15,000/- as deposit under a scheme. The complainant believed the advisor and gave his signatures on all documents laid before him by the Opposite party. In October 2010, he returned from USA and requested the Opposite party to close the account and return the amount of Rs.15,000/- deposited. At that time the Opposite party told him that this amount was not a deposit but super ace brokerage, and that it was nonrefundable. The complainant did not understand why he should pay brokerage when he did not make a single transaction the Opposite party has not given any information brochure and there was no mention of super ace scheme on any documents. When the complainant received reply on 28/10/2010 to his e-mail of 22/10/2010, he came to know this contention for the first time. He also



came to know from the e-mail dated 28-10-2010 that the amount will be returned to the complainant on the basis of his trading transaction. The complainant asked for the contract and the agreements, but he did not receive them. On 8-12-2010 he received one page addendum. The complainant has never asked for the services of this type. The Opposite party has refused to pay Rs 15000 to the complainant despite many demands for return. The complainant is aged persona and does not know much about internet, online transaction and share trading. He does not understand the special terminology of these transactions. The complainant alleges that he has never traded in shares before. He invests in mutual funds. His main source of income is pension. He wanted depository services only for buying the IPO issue of one company where his daughter worked.

2. The Opposite party took Rs 15,000 from him by misleading him to believe that it was deposit and then avoiding its repayment alleging that the amount is not a deposit but brokerage. This is a restrictive trade practice. The complainant therefore asked for Return of Rs.15000 with interest, compensation for mental agony and costs.
3. The Opponent appeared before the forum and filed reply.
4. The Opposite party vehemently contends that the complainant sought the services of the Opposite with a view to sale and purchase shares. Under various judgments given by national courts and various other courts such activity is classified as “commercial Purpose: hence the complaint is not maintainable. It denies all allegations of complainant. The complainant is highly educated. It denies that the complainant signed on documents without understanding their contents. The Opposite party has not received amount as deposit and accepting deposits is not part of its business. The amount of super ace brokerage was received from the complainant for a term of one year and it was nonrefundable; and its period could have been increased if the complainant had requested, the complainant did not avail of any service relating to super ace brokerage although the Opposite party was always ready to provide it. The complaint is false. The demand of complainant is not correct and the complaint may be dismissed.
5. 4. On the basis of the statements of both the parties documents and affidavits filed by them and arguments presented before us, the following questions arise for decision

Sr. No	Questions	Findings
1	Is the complaint maintainable?	No
2	Has the complainant proved that the Opposite party has Provided deficient services?	No
3.	What is the final order?	Complaint is dismissed

## Reasons

### Questions 1 and 2

6. The Opposite party has alleged that the complainant asked for depository service and super ace brokerage scheme for the purpose of trading shares i.e. buying and selling shares. The complainant has not alleged that he intended to deal with shares for self employment for livelihood. The complainant has also not pleaded or shown that he asked for services of the Opposite party for the purpose of 'livelihood' by means of 'self-employment'.

The Opponent relies upon the following judgments which show that the case of type before us is for availing of services for commercial purpose and hence affects maintainability.

- Anand Prakash V. A.M. Johri (2000) III CPJ 291 (Del)
- Dr. V.K. Agarwal V Infosys Technologies Ltd. I(2013)CPJ373(NC)
- Unit Trust of India V. Smt. Sabitri Devi Agarwal, 2000(2) CLT 260
- Sunita Rani V. Zee Telefilms Ltd. And Ors. III (2006) CPJ 350

7. The complainant has signed the agreement and the addendum and sought the super ace plan under which brokerage will be adjusted against Rs. 15,000. To adjust the whole amount Rs, 15000 the trading volume of the share has to be very high.

Although the complainant states that he has never bought and sold share, his intention of trading in large quantities is clear from the type of scheme that he has selected.

The complainant relies upon the judgments in

- Synco Textiles Private Limited v. Greaves Cotton and Co. Ltd., 1991 (1) CPJ 499 (NC)
- Laxmi Engineering Works v. P.S.G. Industrial Institute AIR 1995 SC 1428
- Madan Kumar Singh v. Distt. Magistrate, Sultanpur AIR 2009 SC (Supp) 2736
- Secretary, Consumer Guidance and Research Society of India v. M/s. B.P.L. India Ltd., 1992 (1) CPJ 140 (NC)
- Punjab University v. Unit Trust of India AIR 2014 SC 3670
- Shashikant S Timmapur v Karvy Stock Broking Ltd III (2013) CPJ 594 (NC)
- National Seeds Corporation Ltd. v. M. Madhusudhan Reddy AIR 2012 SC 1160,
- Fair Air Engineers (P) Ltd. v. N.K. Modi AIR 1997 SC 533,
- Skypak Couriers Limited v. Tata Chemicals Limited AIR 2000 SC 2008,
- Trans Mediterranean Airways v. Universal Exports 2011 AIR SCW 6028

However, since the intention of the complainant to have high value trade is very clear these judgments do not assist him.

8. Hence the complainant has availed of services for commercial purpose. He is not a consumer. Hence this complaint is not maintainable.
9. The Opposite party does not deny that it has received Rs. 15,000 from the complainant. But this amount was not a deposit. It was received under super ace

brokerage scheme. Hence the complainant would be able to make online transactions for one year. And this period was extendable. The e-mail written by the complainant to the Opposite party clearly shows that the complainant wanted to learn online trading, as a past time. The complainant has not filed any receipts showing that Rs. 15,000 was received as a deposit carrying interest. Although the complainant is aged he has himself indicated that he wanted to learn something new. The complainant is extremely well educated and has served in the defense forces. Hence to say that he signed the papers without reading will amount to showing disrespect to his services. The complainant himself says that he takes regular help of this daughter for carrying out his computer operations and investments. If this is so it is difficult to believe that he went to the Opposite party office in the neighborhood alone without advice of his daughter. Truly speaking, had he taken advantage of the scheme he would have got the return of the amount against brokerage. But the complainant did not avail of this service given by the Opposite party. This cannot amount to deficiency in service. Hence despite having sympathy for the complainant the forum is of the opinion that he is not entitled to compensation.

Hence the following order

1. The complaint is dismissed.
2. No order as to costs.

Copy of this order to be sent to the parties free of cost

Pune  
4/9/2014

Mr. Jayant Patil  
President

Mrs. Janaki Kulkarni  
Member

BEFORE THE HON'BLE CONSUMER DISPUTES REDRESSAL COMMISSION FOR STATE OF  
MAHARASHTRA  
AT MUMBAI

APPEAL NO. 1234 /2014

IN THE MATTER OF:

Brigadier Vidyadhar Rao (Retd),  
aged 82 years,  
residing at 1234, Surashree Society,  
Near Balinder Bus Station,  
Deccan Gymkhana, Pune 411004.

APPELLANT  
(ORIGINAL COMPLAINANT)

Versus

Invest Net Co Ltd,  
567, Jamnanagar,  
Rohini, New Delhi-110017.

RESPONDENT  
(ORIGINAL OPPOSITE PARTY)

APPEAL UNDER SECTION 15 OF CONSUMER  
PROTECTION ACT, 1986 AGAINST THE JUDGMENT AND  
ORDER DATED 04.09.2014 IN COMPLAINT  
NO.C.C.333/2012.

To,  
The Hon'ble President and his Companion members of the State Commission

Appellant most respectfully submits as under:

- 1) Being aggrieved and dissatisfied by the Final Judgment and Order dated 04/09/2014 passed by the Hon'ble Pune District Consumer Dispute Redressal Forum, in Consumer Complaint No. CC/333/2012 the present Appellant intends to prefer Appeal under section 15 of the Consumer Protection Act, 1986 (Said Final Judgment and Order dated 04/09/2014 may hereinafter for the sake of convenience and brevity be referred as "said impugned order"), before this Hon'ble Forum. The Appellant has marked and produced on record the copy of the said impugned order at "Exhibit A." The Appellant herein is filing the present Appeal on the grounds stated hereinafter. The Parties hereinafter are referred to as they are in the present Appeal.
- 2) The Appellant needed depository services for the purposes of applying for the IPO of Generix Stuart Ltd of Pune (by way of preferential allotment as relative of the Appellant's daughter who worked there). The Appellant also wanted to leave for USA immediately. He therefore approached and opened a depository account with the Respondent for purchasing shares of Generix Stuart Ltd. He paid Rs. 499 and opened the account. The advisor of the Respondent suggested to keep Rs.15, 000/- as deposit under a scheme. The Appellant had never traded in shares before or at any time. The Appellant believed the advisor and gave his signatures on all documents laid before him by the representative of the Respondent. In October 2010, he returned from USA and requested the Respondent to close the account and return the amount of Rs.15, 000/-. At that

time the Respondent told him that this amount was not a deposit but super ace brokerage, and that it was nonrefundable. The Appellant did not understand why he should pay brokerage when he did not make a single transaction. The Respondent had not given any information brochure and there was no mention of super ace scheme on any documents. When the Appellant received reply on 28/10/2010 to his e-mail of 22/10/2010, he came to know this contention for the first time. Appellant also came to know from the e-mail dated 28-10-2010 that the amount will be returned to him on the basis of his trading transaction. The Appellant asked for the contract and the agreements, but he did not receive them. On 8-12-2010 Appellant received one page addendum. The Appellant had never asked for the services of this type.

- 3) The Appellant pursued the matter from time to time but he did not receive any attention. Despite of many visits and consistent follow up on Appellant's part the Respondent refused to pay Rs.15000 to the Appellant. The Appellant is aged person and does not know much about internet, online transaction and share trading. He does not understand the special terminology of these transactions. He invests in mutual funds. His main source of income is pension. He wanted depository services only for buying the IPO issue of one company where his daughter worked.
- 4) The Respondent took Rs.15, 000 from him by misleading him to believe that it was deposit and then avoiding its repayment alleging that the amount is not a deposit but brokerage. This is a restrictive trade practice. The Appellant therefore asked for Return of Rs.15000 with interest, compensation for mental agony as specifically stated in para 11 of the original Complaint.
- 5) The Respondent herein appeared in the said Complaint before the Hon'ble Consumer Disputes Redressal Forum Pune and filed their detailed say along with the Affidavit thereby denying the contents of the said Complaint. In their reply, Respondent Company denied all allegations of Appellant. The Respondent vehemently contended that the Appellant sought the services of the Respondent Company with a view to sale and purchase shares i.e. a "commercial Purpose: hence the complaint is not maintainable. It denied that the Appellant signed on documents without understanding their contents. The Respondent submitted that it has not received amount as deposit and accepting deposits is not part of its business. The amount of super ace brokerage was received from the Appellant for a term of one year and it was nonrefundable; and its period could have been increased if the Appellant had requested, the Appellant did not avail of any service relating to super ace brokerage although the Respondent Company was always ready to provide it. The Respondent submitted that the complaint was false and prayed for dismissal of the complaint.
- 6) The Hon'ble District Forum, by its impugned order **Exhibit A** dated 04/09/2014, dismissed the Complaint of the Appellant herein.
- 7) Being aggrieved and dissatisfied by the said impugned Order dated 04/09/2014, the present Appellant has preferred present appeal on the following grounds which should be considered without prejudice to each other.

**8) Grounds of Appeal:**

- a) The impugned Judgment and order passed by the Hon'ble District Forum is misconceived, illegal and contrary to the provisions of law and hence, deserves to be quashed and set aside.
- b) The Hon'ble District Forum has passed the impugned Order under misconception of law and facts.
- c) The Hon'ble District Forum has passed the impugned Order without applying its judicial mind to the facts of the case and legal implications flowing out of such facts.
- d) The Hon'ble District Forum has passed the impugned Order without appreciating the facts pleaded by the Appellant and without considering the documents produced on record.
- e) The Hon'ble District Forum, while passing the impugned Order, ought to have independently examined the factual position about the deficiencies. The Hon'ble Forum has failed to see that the Respondent Company had full knowledge about the purpose, need and urgency on part of the Appellant to open depository account. The Forum ought to have seen that the representative of the Respondent never informed the Appellant that amount of Rs.15, 000/- was towards super ace brokerage and not refundable. The forum has failed to see that the representative of the Respondent Company owed duty of good faith as an advisor towards the Appellant considering the age and having no background of online trading. The Forum ought to have seen that when lower plans were available the Respondent Company advised for plan involving substantial amount of Rs. 15,000/-. The Forum has failed to consider the fraudulent and unfair trade practices on the part of the Respondent.
- f) The Hon'ble District Forum, while passing the impugned Order has wrongly concluded that the Appellant had availed of services for commercial purpose and the Appellant was not a consumer. It failed to recognise that the question of use of services for commercial purposes is based on the facts and circumstances of each case. The Hon'ble District Forum has failed to take into consideration the object for which the services were availed by the Appellant. The Hon'ble District Forum has wrongly relied upon the judgments which are not relevant and applicable in the present case of the Appellant.
- g) The Hon'ble District Forum has failed to see the restrictive trade practice exercised by the Respondent Company wherein unjustified costs under the name 'super ace brokerage' was imposed on the Appellant without informing him about the same. The Hon'ble Forum has failed to see that the Appellant because of his inexperience in online trading relied on the advice of the representative of the Respondent Company who suggested this scheme to the Appellant without disclosing that the amount of Rs.15, 000/- was not refundable.
- h) The Hon'ble Forum has failed to appreciate the fact that documents that the Appellant received from the Respondent Company and literature sent as a part of a 'Kit' did not mention that the amount of Rs.15,000/- was towards brokerage or that it was not refundable. The Hon'ble Forum also failed to appreciate that copies of the agreement and addendum were not given to the Appellant immediately. The Hon'ble Forum failed to appreciate that the addendum had many technical terms that will not be understood by a person not having background of share transactions.

- i) The Hon'ble District Forum, while passing the impugned Order has wrongly concluded that the Appellant was not a consumer and there was no deficiency in service on the part of Respondent Company.
  - j) The Hon'ble Forum has failed to look into the aspect of restrictive Trade Practices exercised by the Respondent Company under the superfluous name of some schemes.
- 9) The said impugned Judgment and Order was passed by the Hon'ble District Forum, Pune on 04/09/2014. The free / certified copy of the said Judgment and Order was received by the Appellant / Original Complainant on 20/10/2014 therefore excluding the time spent in getting the copy of the said order, the present Appeal is filed well within the period of limitation.
- 10) The Hon'ble Commission has the jurisdiction to entertain, try and dispose off the matter.
- 11) It is therefore prayed that
- a) The present Appeal may kindly be allowed with costs.
  - b) The impugned Order dated 04/09/2014 passed by the Hon'ble District Forum Pune may kindly be quashed and set aside.
  - c) Any other just and equitable order in the interest of justice may kindly be passed.

Filed on: 16/11/2014

**Filed at: Mumbai**

**Signed at: Pune**

*Vidya Rao*  
**APPELLANT**

**Sd/-**

**Advocate for Appellant**

BEFORE THE HON'BLE CONSUMER DISPUTES REDRESSAL COMMISSION  
FOR STATE OF MAHARASHTRA  
AT MUMBAI

APPEAL NO. 1234 /2014

IN THE MATTER OF:

Brigadier Vidyadhar Rao (Retd),  
COMPLAINANT)

APPELLANT (ORIGINAL

Versus

Invest Net Co Ltd,  
PARTY)

RESPONDENT (ORIGINAL OPPOSITE

Reply filed on behalf of the  
Respondent under Sec. 18 r/w Sec.  
13 of the Consumer Protection Act

To,

The Hon'ble President and his Companion members of the State Commission

Respondent most respectfully submits as under:

1. That the present Appeal is false, frivolous, and vexatious and abuse of the process of this Hon'ble Commission and therefore same is liable to be dismissed under Section 26 of the Consumer Protection Act.
2. The Appellant has filed the present appeal just to harass the Respondent Company and the same is liable to be dismissed *in limine*. The Appellant has preferred this appeal without there being any justifiable cause. It is denied by the Respondent that the Judgment and order passed by the Hon'ble District Forum dated 4/09/2014 is misconceived, illegal and contrary to the provisions of law and hence, deserves to be quashed and set aside.
3. Respondent denies all the allegations of the Appellant and submits that nothing shall be deemed to be admitted by the reason of non-traverse or otherwise.
4. The Respondent submits that the Appellant sought the services of the Respondent Company with a view to sale and purchase shares i.e. a "commercial Purpose. It is submitted that the Hon'ble District Forum had rightly taken into consideration the facts and the position of law and decided that the complaint was not maintainable. The Forum was right in holding that Appellant has availed of services of the Respondent Company for commercial purpose and hence Appellant is not a Consumer. The Hon'ble District Forum has passed the right Order as to the maintainability of the Complaint filed by the Appellant originally.
5. It is not true that the Hon'ble District Forum has passed the Order without applying its judicial mind to the facts of the case and legal implications flowing out of such facts. The Hon'ble District Forum has passed the Order only after appreciating the facts in light of different judgments sighted and the documents produced on record.



6. It is submitted that the Hon'ble District Forum, while passing the impugned Order, have independently examined the factual position. The Hon'ble Forum has rightly observed that the Appellant is well educated and has served in defense forces. Therefore it cannot be said that he has signed the papers without reading the papers/documents. The Forum was right in observing that the Appellant has not filed any receipts showing that Rs. 15,000/- was received as deposit carrying interest. The Hon'ble Forum has rightly concluded that there was no deficiency in services provided by the Respondent Company. It is submitted that the Appellant had clear idea about the scheme. It is submitted that prior to activation of this scheme, the details were also confirmed to the Appellant through audit call made by the company's authorised person. Such call is given to all the clients for confirming the scheme and details opted by client before starting the scheme. In this call it was disclosed to the Appellant that the amount of Rs 15000 was not refundable. The Appellant had responded positively to it. It is further denied that the Appellant had no reason to believe before October 2010 that the amount called was 'Super ace brokerage' or that it was not refundable.
7. The Hon'ble District Forum, has rightly concluded that the Appellant was not a consumer and there was no deficiency in service on the part of Respondent Company.
8. It is not true to say that the Hon'ble Forum has failed to take into consideration the aspect of alleged restrictive Trade Practices and unfair trade practice. It is submitted that the Respondent Company is nowhere involved in such practices.

It is therefore prayed that

- d) The present Appeal may kindly be dismissed with costs.
- e) The Order dated 04/09/2014 passed by the Hon'ble District Forum Pune may kindly be confirmed.
- f) Any other just and equitable order in the interest of justice may kindly be passed.

Filed on: 2 – 11 – 2015 **at: Mumbai**

**Sd/-**

**Respondent**

**Sd/-**

**Advocate For Respondent**