

Ref: MSE/INS/RE/10/747/19-20/16

January 03, 2020

To
Integrated Master Securities Pvt. Ltd.
303, New Delhi House,
27, Barakhamba Road,
New Delhi - 110 001
Tel: 011-43074307

Kind Attn: Ms Rupali Walia – Compliance officer

Madam,

Sub: Action on violations observed during Inspection of books of accounts conducted in financial year 2019-20 (Capital Market Segment).

An inspection of your books of accounts and other documents was conducted by the Exchange in November, 2019 for the period from August 01, 2018 to July 31, 2019 and observations on the same were forwarded to you vide letter no. Ref: MSE/INS/RE/07/747/2019-20/3312 dated December 04, 2019 for your comments/clarifications on the non-compliances observed therein. Your reply letter dated December 14, 2019 was received by the Exchange on December 18, 2019, which was analyzed and placed before the Internal Committee of the Exchange in its meeting held on December 26, 2019

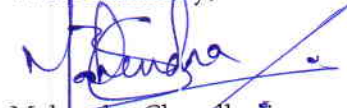
The actions as decided by the ICMR on violations/deficiencies pointed out in the observation letter are enclosed as **Annexure**. Please note the actions includes a monetary fine of Rs.5000/-.

You are advised to send a Cheque/Demand Draft payable at Mumbai in favor of “Metropolitan Stock Exchange of India Ltd.” for Rs.5,900/- (Rupee Five Thousand Nine Hundred only), including gst @ 18% latest by January 18, 2020 or you can pay the said amount by way of online fund transfer, details of the bank for fund transfer is given below:

Particulars	Details
Beneficiary Name	Metropolitan Stock Exchange of India Ltd
Bank & A/c No details	990680013757 / Current A/c / HDFC Bank Ltd, Fort Mumbai
IFSC Code	HDFC0000060

In case of online fund transfer, kindly mail us the fund transfer details.

Yours Faithfully,



Mahendra Choudhary
Asst. Vice President – Inspection

Encl: As above

<u>Integrated Master Securities Pvt. Ltd.</u>				
<u>Capital Market Segment</u>				
Sr. No	Violation	Details	In Violation of	Action
1	Non-submission of following policies for verification; -Policy on SORM Certification. -Policy on Client Code Modification. -Policy on Risk Management.	-	• Exchange Circular No. MCX-SX/INSP/2181/2013 dated September 03, 2014 • Exchange Circular No. MCX-SX/ID/629/2011 dated August 26, 2011 • Exchange circular no. MSE/INSP/6511/2018 dated June 29, 2018	Your reply is satisfactory.
2	Non-submission of Cash Book and Bank Book for the inspection period	-	• Regulation no. 7.1.8 (a) of the CM segment of the Exchange • Exchange circular no. MSE/INSP/6994/2018 dated November 16, 2018	Your reply is satisfactory.
3	Non-submission of proof of delivery of copy of client registration documents issued to clients at the time of registration.	-	• Exchange Circular no. MCX-SX/INSP/238/2009 dated December 4, 2009 • Exchange Circular No. MCX-SX/INSP/296/2010 February 25, 2010	Your reply is satisfactory.
4	Member has not displayed the Email id for investors to register complaints on the Member's website.	-	• SEBI Circular No. MRD/DoP/Dep/SE/Cir-22/06 dated December 18, 2006	Your reply is satisfactory.
5	Discrepancies pertaining to weekly Clients' Funds Lying with the Stock Broker under Enhanced Supervision.	-	• Exchange circular no. MSEI/INSP/4554/2016 dated September 28, 2016	A penalty of Rs.5,000/- is levied (Due to repetitive nature of discrepancy, warning escalated to penal action)
6	Discrepancies pertaining to Periodic Client's Funds and Securities Balance under Enhanced Supervision.	-	• Exchange circular no. MSEI/INSP/4554/2016 dated September 28, 2016	Action Clubbed with point no.5