

Ref. No.: MSE/INSP/2021/957/RE/10/510/20-21

August 26, 2021

Finance Monitor (I) Pvt. Ltd.
B&E, Mangalam, 155,
Ground Floor, Jain Society, Sion (West),
Mumbai – 400 022
Tel: 091-022-24040148/24014402/03

Kind Attn: Mr. Prafull Parekh – Compliance Officer

Dear Sir,

Sub: Action on violations observed during Inspection of books of accounts conducted in financial year 2020-21 (Currency Derivatives Segment)

An inspection of your books of accounts and other documents was conducted by the Exchange officials remotely in March 2021 for the period from October 01, 2019 to September 30, 2020 and observations on the same were forwarded to you vide letter bearing ref. no. MSE/INSP/2021/505/RE/07/510/20-21 dated April 30, 2021 for your comments/clarifications on the non-compliances observed therein. Your reply was received by the Exchange vide e-mail on May 7, 2021. The said reply was analyzed and placed before the Internal Committee of the Exchange in its meeting held on August 09, 2021.

The actions as decided by the Committee on violations/deficiencies pointed out in the observation letter are enclosed as **Annexure**. Please note the actions includes a monetary fine of Rs. 7,500/-.

You are advised to send a Cheque/Demand Draft payable in Mumbai in favour of '**Metropolitan Stock Exchange of India Ltd**' for Rs.8,850 /- (Rupee Eight Thousand Eight Hundred Fifty only), including GST @ 18% latest by September 10, 2021 or you can pay the said amount by way of online fund transfer, details of the bank for fund transfer is given below and provide fund transfer details to the Exchange :

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

Yours Faithfully,

SD/-

Mahendra Choudhari
Asst. Vice President – Membership & Inspection

Encl: As above

Finance Monitor (I) Pvt. Ltd. <u>Currency Derivatives Segment</u>				
Sr. No	Violation	Details	In Violation of	Action
1.	The member has not submitted Preliminary Finding List (PFL) & IDR duly stamp & signed by the Compliance officer/ Designated Authorised Signatory	-	-	No Action
2a	Discrepancies observed in Clients' Funds Lying with the Stock Broker under Enhanced Supervision	-	• Exchange circular no. MSEI/INSP/4554/2016 dated September 28, 2016 • Exchange circular no. MSE/INSP/7803/2019 dated June 21, 2019	A penalty of Rs. 7,500/- is levied. (Due to repetitive nature of discrepancy, warning escalated to Monetary penalty of Rs.5000/- further escalated by 50% on fine amount i.e. 5,000/- + 2,500/- = 7,500/-).
2b	Discrepancies observed in Periodic Client's Funds and Securities Balance under Enhanced Supervision reporting	-		