



Ref: MSE/INS/RE/10/589/19-20/18 METROPOLITAN STOCK EXCHANGE

January 03, 2020

To
Mehta Equities Ltd.
903, Lodha Supremus, Dr. E. Moses Road,
Worli Naka, Mumbai – 400 018
Tel: 091-022-61507100

Kind Attn: Ms. Reema Shah – 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 October, 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/07/589/19-20/2984 dated November 01, 2019 for your comments/clarifications on the non-compliances observed therein. Your reply was received by Exchange vide e-mail on November 07, 2019, November 15, 2019 and December 03, 2019. The said reply was analyzed and placed before the Internal Committee of the Exchange in its meeting held on December 26, 2019

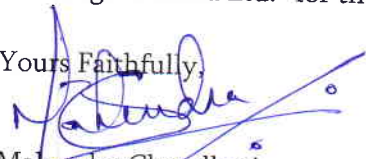
The actions as decided by the ICMR on violations/deficiencies pointed out in the observation letter are enclosed as **Annexure**. Please note the actions includes a monetary fine of Rs. 5000/-.

In view of the above a penalty of Rs.5,900/- (Rupee Five Thousand Nine Hundred only), including GST @ 18% is payable, accordingly you are advised to maintain the required balances in the Exchange Dues Account so as to enable the Exchange to debit the aforesaid amount on 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 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

Or you can also send a Cheque/Demand Draft payable at Mumbai in favor of "Metropolitan Stock Exchange of India Ltd." for the said amount.

Yours Faithfully,


Mahendra Choudhary

Asst. Vice President – Inspection

Encl: As above

<u>Mehta Equities Ltd</u> <u>Capital Market Segment</u>				
Sr. No	Violation	Details	In Violation of	Action
1	Non-submission of copies of financial documents obtained from clients at the time of Annual updation.	-	• Exchange Circular no. MCX-SX/INSP/238/2009 dated December 04, 2009 • Exchange Circular No. MCX-SX/INSP/296/2010 February 25, 2010	Your reply is satisfactory
2	Non-submission of proof of dispatch / logs of statement of accounts sent to the clients at the time of settlement of client accounts.	-	• Exchange Circular no. MCX-SX/INSP/296/2010 dated February 25, 2010	You are advised to ensure compliance in future
3a	Non-submission of data related to Periodic Clients' Funds and Securities Balance	-	• Exchange circular no. MSEI/INSP/4554 /2016 dated September 28, 2016	Your reply is satisfactory
3b	Discrepancies pertaining to Periodic Client's Funds and Securities Balance under Enhanced Supervision.	-		Action Clubbed with point no.3c.
3c.	Discrepancies pertaining to weekly Clients' Funds Lying with the Stock Broker under Enhanced Supervision.	-		A penalty of Rs.5,000/- to be levied. (Due to repetitive nature of discrepancy, warning escalated to penal action)