

21/08/2022

Compliances to be followed by Business Associates

Dear Business Associates,

Following are certain important points of compliances each BA is required to strictly adhere to, failing which BA may have to face regulatory impacts like penalty or suspension of license from regulators and we shall also take strict action on non-compliances found during internal audit.

- ⇒ Running trading terminals at registered location only.
- ⇒ No unauthorized extension of terminals should be done or no terminals should be operated at other location without change of address procedure.
- ⇒ Terminals should be operated only by approved user registered with Exchanges
- ⇒ The approved user of the terminal should have proper NISM certification of the segment operating on the terminal.
- ⇒ All the necessary notice boards, certificates, do's & don't board, BA name board should be displayed at prominent location of the office.
- ⇒ Maintaining of investor grievance register, inward outward register, dispatch register.
- ⇒ No other broker terminal should be present at the premises, and if present there should be proper demarcation done at the office premises so as to have separation in each and every processes related to business conducted.
- ⇒ Maintaining and displaying Glow sign board/BA name board in the proper format as per regulatory requirement at the outlets.
- ⇒ Not accepting cash from the client although by giving signed receipts from your end whether against obligations or as margin for purchase of securities and / or give cash against sale of securities to the clients.
- ⇒ Not publishing advertisements without compliance and regulatory approvals.
- ⇒ Not issuing advertisement assuring guarantee returns to clients in any form

- ⇒ Not indulging in any kind of unfair trade practices like front- running, dabba trading, collective investment schemes, with clients for generating brokerage or commission.
- ⇒ Sub-brokers / APs should not create email ids for clients for dispatch of documents meant for clients.
- ⇒ Sub-brokers / APs should undergo proper client due diligence at the time of account opening and KYC. Further proper in-person verification and verification of valid and correct mobile number and email id is the duty of BAs.
- ⇒ Not spreading any kind of rumors for any scrip with regards to its price, market volume, profits etc.
- ⇒ AP should not take login id and password from client to use the client's login for trades. This is not legal.
- ⇒ Maintaining dignity and goodwill of Brand image of MO group.
- ⇒ Regular track on circulars issued by Compliance Department through WIRE software.

Issued By: Compliance Department