

L/ENF/DU-910/IR/2024-2025/397

June 14, 2024

To,
Compliance Officer and Designated Directors
MARWADI SHARES & FINANCE LTD. (Clg.no.910)
VIRAJ BUILDING,5TH FLOOR
124,S.V.ROAD
KHAR (WEST)
MUMBAI-400052

Dear Sir /Madam,

Sub: Final letter pertaining to Inspection conducted by the Exchange in FY 2024-25

Please refer to **Annexure A** to this letter with the details of non-compliances observed by the Exchange after taking into consideration the clarifications offered by you.

You are advised to take necessary steps to ensure that such non-compliances do not recur.


Please note that in case similar non-compliances are observed during a subsequent inspection by the Exchange, applicable action including an escalated penalty may be imposed pursuant to the Exchange Notice No. 20180214 - 31 dated February 14, 2018.


Further, you are requested to submit a compliance certificate, from your Compliance Officer within 10 days from the receipt of this letter stating that all the recommendations made above have been implemented. Failure to furnish the compliance certificate within the timelines or submission of an incorrect compliance certificate (in case similar observations are observed by the Exchange or your internal auditor, etc. post the submission of the compliance certificate) may result in further action being initiated by the Exchange.

You are also required to place the letter before your Board for necessary action and the letter is to be taken into consideration by your Board for the performance appraisal of the concerned individual who is responsible for the lapse/ deficiency.

We thank you for your co-operation during the inspection.

Yours faithfully,


Vandana Vania
Asst. General Manager
(Enforcement)


Dnyaneshwar Ugalmugale
Asst. Manager
(Enforcement)

Annexure A

Name of the Member	MARWADI SHARES & FINANCE LTD
Clearing Number	910
Inspection Year	F.Y. 2023 – 2024
Date of First Letter	04-03-2023
Date of Response to First Letter	06-03-2024, 20-04-2024, 08-05-2024, 31-05-2024, 10-06-2024 & 13-06-2024.

a) Details of Non-Compliance observed after considering the responses provided, where no monetary penalty is applicable:

Sr. No.	Violation	Notice / Regulatory Requirement	Action
1.	Non-verification of Client PAN with Income Tax Website	20231016-11 dated October 16, 2023	You are advised to ensure compliance with verification of PANs of clients with Income tax Website.
2.	Non reconciliation of the Exchange UCC database and Back-office database of the Member.	20140801-19 dated August 1, 2014, 20140811-25 dated August 11, 2014 and 20140819-17 dated August 19, 2014 and 20160927-41 dated September 27, 2016, 20161020-17 dated October 20, 2016	You are advised to ensure that own back-office and Exchange UCC database is always updated.
3.	Assigning same mobile Number and Email id to multiple clients.	SEBI Circular ref.no. CIR/MIRSD/15/2011 dated August 02, 2011 issued vide Exchange Notice No.20110809-19 dated August 9, 2011.	You are warned for not complying with the relevant UCC requirements stipulated from time to time
4.	Submission of incorrect Net worth Certificate	20210809-50 dated August 9, 2021	You are advised correctly compute net worth and submit of net worth certificate in future.

Details of observations closed after considering the responses provided: -

- **Submission of Holding statement to Exchange.**

HS

