

L/ENF/SS-933/IR/2024-2025/389

June 11, 2024

To,  
Compliance Officer and Designated Director  
**Northeast Broking Services Ltd. (Clg. No.933)**  
8-2-120/112/88 & 89/7/S1, II Floor,  
Aparna Crest, Road No 2  
Banjara Hills,  
Hyderabad-500034

Dear Sir / Madam,

**Sub: Final letter pertaining to Inspection conducted by the Exchange in FY 2023-24**

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. Gen Manager**  
**(Enforcement)**



**Sandhya Sapaliga**  
**Associate Manager**  
**(Enforcement)**

**Annexure A**

<b>Name of the Member</b>	<b>Northeast Broking Services Ltd.</b>
<b>Clearing Number</b>	<b>933</b>
<b>Inspection Year</b>	<b>F.Y. 2023 – 2024</b>
<b>Date of First Letter</b>	<b>December 29,2023</b>
<b>Date of Response to First Letter</b>	<b>January 04, 2024, March 26, 2024 &amp; May 28, 2024</b>

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

<b>Sr. No.</b>	<b>Violation</b>	<b>Notice / Regulatory Requirement</b>	<b>Action</b>
<b>1</b>	<b>Incorrect Email and Mobile number of clients uploaded in UCC database</b>	20140801-19 dated August 1, 2014, 20140811-25 dated August 11, 2014 20140819-17 dated August 19, 2014, September 26, 2016 20160927-41 dated September 27, 2016,0020 20161020-17 dated October 20, 2016	You are advised to update Email id and Mobile Number based on the UCC database/portal of the Exchange
<b>2</b>	<b>Submission of incorrect data towards enhanced supervision- Weekly monitoring of client assets.</b>	20160927-41 dated September 27, 2016, 20161020-17 dated October 20, 2016, 20161221-20 dated December 21, 2016, 20170623-14 dated June 23, 2017, 20170925-34 dated September 25, 2017, 20201217-54 dated December 17, 2020, 20210118-31 dated January 18, 2021, 20210927-48 dated September 27, 2021, 20211213-49 dated December 13, 2021 and 20220903-1 dated September 3, 2022.	You are warned for submitting incorrect information to the Exchange in Enhanced Supervision towards client asset report.

**Details of observations closed after considering the responses provided:**

- Non settlement of client account
- Submission of incorrect data towards enhanced supervision- Cash & Cash Equivalent

*AS.*