

L/ENF/SS-936/IR/2024-2025/360

June 07, 2024

To,
Compliance Officer and Designated Director
Trustline Securities Ltd . (Clg. No.936)
Property No.85, 1st Floor,
Namberdar Estate,
Taimoor Nagar, New Friends Colony,
New Delhi - 110025

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

Name of the Member	Trustline Securities Ltd
Clearing Number	936
Inspection Year	F.Y. 2023 – 2024
Date of First Letter	December 29,2023
Date of Response to First Letter	January 05, 2024 , May 27 2024, May 29 2024 & June 05 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	Incorrect IML details submitted to the Exchange	20070517-22 dated May 17, 2007 & 20110216-14 dated February 16, 2011, 20120816-19 dated August 16, 2012 and 20120823-13 dated August 23, 2012	You are advised to ensure compliance with submission of accurate information to the Exchange relating to trading terminals
2	Submission of incorrect data towards enhanced supervision- Weekly monitoring of client assets.	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

Details of observations closed after considering the responses provided:

- **Non - Settlement of client account**
- **Granting exposure to client, beyond T+2+5**

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