
NATIONAL STOCK EXCHANGE OF INDIA LIMITED

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| DEPARTMENT : INVESTIGATION | |
| Download Ref. No.: NSE/INVG/36333 | Date: November 17, 2017 |
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To All NSE Members

Sub: Caution towards unsolicited messages

It has come to the notice of the Exchange & Securities and Exchange Board of India (SEBI) that unsolicited messages are being sent to induce investment or sale of the stock of certain listed companies, indicating target prices by unregistered or unauthorised entities.

Trading members are requested to advise their clients to remain cautious on such unsolicited messages being circulated by unregistered/ unauthorized entities.

It is further advised that in case the trading member suspects that there is an unusual trading pattern by any client then the trading member shall release the payout to the client only after carrying further scrutiny like:-

- i) Scrutiny of KYC documents to compare income range declared and value of such transaction,
- ii) Whether the client is individual or Private Corporate Body,
- iii) Whether the client is directly/indirectly connected to the company/ promoters/ directors of the company, etc.
- iv) Method of acquisition of shares by client - whether on-market/off-market/IPO/Preferential allotment,
- v) Whether source of funds and period of holding is not in line with the client's usual behavior.

The trading member shall intimate his decision to withhold the pay-out to the client along with his rationale to the stock exchange within three days of withholding of pay-out. The intimation shall be sent to invg@nse.co.in

Further, market participants are aware that Exchange has provided facility to share their information or evidence of systemic wrongdoing, potential frauds or unethical behaviour to the Exchange through the anonymous portal as per web page link given below:

http://www.nseindia.com/int_invest/dynacontent/any_portal.htm

Market participants are advised to use facility to report any such information anonymously and confidentially.

Market participants are advised to take note of the above and exercise necessary caution with respect to tips/rumours circulated via messages while dealing in the securities listed on the Exchange.

In case of any further queries, members are requested to contact the following officials:

Mr. Chirag Jain (Extn: 22480), Mr. Binoy Yohannan (Extn: 24332), Mr. Hiren Thakkar (Extn. 22399)
Direct No: 022-26598417/18

For National Stock Exchange of India Limited

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