

NCDEX/INSP/2023-24/87

July 14, 2023

M/s. Geojit Financial Services Limited (TMID: 1243)  
34/659-P, Civil Line Road,  
Padivattom, Kochi, Kerala - 682024  
Ph No: 9995800008

Kind Attn: Mr. A Balakrishnan

Dear Sir,

**Sub: Joint Inspection of books and records by SEBI during the year 2022-2023**

This is with reference to the Joint inspection carried out by the SEBI along with Exchanges of your books and records on December 21, 2022 – December 24, 2022 for the period April 01, 2021 to December 15, 2022. Please refer observation letter NCDEX/INSP/2023-24/67 dated June 16, 2023 issued by the Exchange informing you about the non-compliances observed during inspection. The Exchange had directed you to provide comments/additional clarifications on the observations, if any, to enable us to proceed further.

The reply/clarification submitted by you to the Exchange was examined by the Member Compliance Committee and you are advised/warned for the below mentioned non-compliances.

1. Warned to ensure that Unutilized collateral lying with the clearing corporations/ or clearing member is maintained at proper level to ensure that any of the principles of Enhance supervision guidelines (Value of J) are not violated.
2. Warned to submit correct data towards the weekly monitoring of client funds under Enhance supervision
3. Advised to maintain evidence of client order placement / modification / cancellation

You are further advised to take appropriate corrective measures for the above-mentioned non-compliances and submit the same to the Exchange within **twenty days from the date of this letter i.e not later than August 03, 2023**. You are also advised to place the same before your Board.

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Also ensure that the Rules, Bye laws, Regulations and circular instructions of the Exchange are duly complied with, as any repeated violation will be viewed seriously by the Exchange.

Yours faithfully,

Pranesh Shetty  
VP – Audit & Inspection