

Instances of the type of repeats complaints are highlighted on website.

Following are some of the instances of complaints which SEBI has been repeatedly receiving. These complaints have been addressed and disposed of advising the complainants to adopt appropriate course of action but the complainants have been writing to SEBI repeatedly without choosing to avail of the appropriate legal remedy from the competent forum.

Instance No 1: A complainant, is complaining against a broker for non-payment of brokerage commission, dividend, office rent, referral charges and other expenses due to him and also refund of arbitration charges.

The complaint has arisen out of dispute over a commercial agreement between the complainant and broker, which does not fall under the purview of SEBI and as such no further action can be taken on the complaint. This was informed to the complainant however the complainant repeatedly complains to SEBI.

Instance No 2: Another Complainant alleged that on a particular day, sometime before the close of the trading session; incorrect news was flashed in the TV media regarding the Quarterly results of the a company. Complainant didn't find any press release of the company in the print media. Further, he alleged that TV channel in collusion with some big market players has misled the general public.

In this regard:

- a) SEBI examined the trading in the scrip on the given date along with the disclosures made by the company and no adverse movement in the price volume of the script was noted.
- b) Subsequently, the issue of incorrect news flash was taken up with TV media channel. It was informed by them that any inadvertent error that might have occurred in the instant case, it was unintentional without any malafide on their part. They also informed that to make its systems more foolproof, the channel has now put in place more check and balances which include attributing the flashes to the concerned wires or agencies from where they must have taken the same and this has already been implemented.
- c) Further, regarding the erroneous news flash by TV media channel, the complainant was advised to take up the matter with Broadcast Content Complaints Council (BCCC), since such matters are within their purview. However the complainant has been repeatedly asking SEBI for resolving his complaint.

Instance No 3: Another complainant has raised the issue of incorrect information provided by a broker to him regarding his exposure limits and squaring off positions without his consent. The broker has replied to complainant in the matter stating that the broker reserves the right to change the exposure limits of all clients and the same is communicated to him at the time of account opening through client member agreement.

As there was a debit in client's account and due to unavailability of funds, his positions were squared up.

SEBI also met the officials of the Broking firm and the broker provided relevant reference copies of SMS Logs, Activity Logs of internet trading, ECN Logs, Margin Reports, Statement of Accounts and call recordings and analyzed the relevant logs, reports and statements.

It was observed that

- a. The complainant repeatedly requested the broker to provide him very huge exposure limits.
- b. The complainant was also informed by one of the officials of the broker that they will square off the positions, if there is no sufficient margin in his account.
- c. The complainant was repeatedly requested by one of the officials of the broker to pay in additional funds in his account to enable them to grant him additional exposure limits and to avoid the unnecessary square off of positions.
- d. The complainant repeatedly objected that he should be granted additional limits and in no case his positions should be squared off, but was not at ready to pay in required margin.
- e. Finally, the broker squared off the positions. The same is communicated to the complainant over a phone call to the complainant that his positions were squared off.

In above instance, it is seen that the complainant was well-informed in advance about his risk exposure limits and likely square off of positions in case of failure to deposit margin.

Further the complainant has not attached copies of any documents in support of his complaints nor attended IGRP (Investor Grievance Resolution Panel) meetings of NSE in spite of being specifically informed of the same. The IGRP advised the complainant to opt for arbitration, if he so desires.”

However the complainant instead of attending IGRP meeting or filing for arbitration to resolve his case, is sending frequent emails to various levels in SEBI including Chairman using intemperate language. He is also lodging multiple complaints on SCORES. Such repeated complaints clog the capacity of the system and prevents quicker response to other complainants.
