
Inspection Report of Authorised Persons

1. Attention of Members' is drawn to Exchange Circular MCX/INSP/601/2019 dated October 22, 2019, which mandates Members to exercise adequate control and due diligence over the activities & transactions of their Authorised Persons (APs) and conduct their period inspection in the manner specified therein.
2. In this regard, Exchange has provided a provision to upload the APs inspection report on the AP portal (<https://aprofile.mcxindia.com>) under the tab 'AP Inspection'. (AP Inspection format file is also provided under the same tab). The reporting shall be done in the following manner:
 - a) All inspections undertaken during a financial year should comply with guidelines prescribed in Exchange circular MCX/INSP/601/2019 dated October 22, 2019.
 - b) Members are required to submit APs inspection report undertaken during the FY 2021-22, ie. April 1 2021 to March 31, 2022. The portal will be made available for submission of the said report from April 1, 2022 to May 31, 2022. Subsequently, inspections shall be reported on yearly basis.
3. Members are also hereby notified that they shall be mandatorily required to report any incidence, observed by them, involving assured returns or any unauthorised schemes operated by the AP, to the Exchange, within 2 working days. Such reporting should be sent by email to apcell@mcxindia.com Members, additionally, shall also take necessary measures including filing of police complaint upon noticing such incidence. Exchange may also require Members to obtain confirmation from their clients that there are no claims against such AP. Further, Members are also requested to comply with SEBI Circular No. MIRSD/DR-1/Cir-16-09 dated November 06, 2009.
4. Members should undertake necessary due diligence & background screening of the applicants at the time of their onboarding as an AP. Members should restrict entities with names which may mislead clients/investors, including names with "Portfolio/Wealth management/advisory" without a valid SEBI registration. The Exchange shall reject any AP application, where it is of the opinion that the name of the applicant is misleading or does not reflect the activities permitted to be undertaken by an AP.

-----Corporate office -----

Multi Commodity Exchange of India Limited

Exchange Square, CTS No. 255, Suren Road, Chakala, Andheri (East), Mumbai – 400 093

Tel.: 022 – 6649 4000 Fax: 022 – 6649 4151 CIN: L51909MH2002PLC135594

www.mcxindia.com email: customersupport@mcxindia.com



5. Further, please note that APs are not permitted to undertake activities such as providing assured/guaranteed return schemes, unauthorised portfolio management & investment schemes etc. as well as directly accepting or paying/delivering any funds and securities from/to the clients/investors. It is responsibility of the Members to ensure that all APs registered with them are complying with the regulatory requirements and do not undertake any non-permitted activities. Members shall be liable for all such acts of its APs and/or their Directors/Partners, employees etc., including liabilities arising therefrom.

Members are requested to take note of the same and ensure compliance.

Chirag Sodawaterwalla
Senior Manager – Membership

Kindly contact Customer Service Team on 022-66494040 or send an email at customersupport@mcxindia.com for any clarification.

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