

<b>Department: Inspection</b>	<b>Segment: All</b>
<b>Circular No: MSE/INSP/9440/2020</b>	<b>Date : September 03, 2020</b>

**Subject: Advertisement/publication of Non-Broking Products/Services**

To All Members,

This has reference to the Exchange Circular Ref. No. MSE/INSP/8617/2020 dated February 03, 2020 regarding frequently asked questions (FAQs) on advertisements. The circular provides guidelines/clarifications to the Members which needs to be complied with while issuing advertisements.

It has recently come to the notice of the Exchange that certain members are cross selling products/services of their group companies on their websites without giving adequate disclosures, thus resulting in misrepresentation to investors. In this regard, Members attention is drawn to point 4 (c) of the aforementioned FAQ which, while providing exemption for taking Exchange approval, mandates Members to give adequate disclosures while advertising or publicizing any non-Broking Products/Services. The said clause is hereby reiterated below for ready reference:

*“Contents which are exclusively for Non-Broking Products/Services e.g. Mutual Fund, Mutual Fund-SIP, Research reports, Insurance, etc. where the Member is just a distributor, this should contain specific disclosure that these are not Exchange traded product/(s) and the Member is just acting as distributor. It should also state that all disputes with respect to the distribution activity would not have access to Exchange investor redressal forum or Arbitration mechanism.”*

It is hereby re-iterated that in case Members are advertising or publicizing any non-Broking Products/Services such as loans, Mutual Fund, Mutual Fund-SIP, Research reports, Insurance, etc., it shall clearly disclose who is offering such Products/Services and that these are not Exchange traded product/(s)/services. It should further be stated that Member is just acting as distributor/agent of such Products/Services and all disputes with respect to the distribution activity would not have access to Exchange investor redressal or Arbitration mechanism.

Members are hereby directed to ensure strict compliance of the code of advertisement and the various circulars relating to Advertisement issued by the SEBI/Exchange from time to time. Any non-compliance in this regard shall attract appropriate disciplinary actions.

The code of advertisement along with the relevant circulars and FAQ are as below :-

- 1) Exchange circular ref no. MSEI/INSP/4711/2016 dated November 21,2016-Revised Guidelines and Code of Advertisement for Stock Brokers
- 2) Exchange circular ref no. MSEI/INSP/5255/2017 dated June 19,2017- Guidelines to determine Celebrity Status for the purpose of issuing advertisements
- 3) Exchange circular ref no. MSE/INSP/8617/2020 dated February 03,2020- FAQ on MSE Advertisement

All members are advised to strictly comply with the same.

**Metropolitan Stock Exchange of India Limited**



**For and on behalf of  
Metropolitan Stock Exchange of India Limited**

Mahendra Choudhari  
Asst. Vice President – Inspection

In-case of any query kindly contact Inspection Department on 6112 9000 or mail on [compliancemsx@msei.in](mailto:compliancemsx@msei.in)

**Metropolitan Stock Exchange of India Limited**

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