

## **SEBI fines Inventure Growth and Securities for violating market norms**

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Markets regulator Sebi on Tuesday imposed a fine of Rs.10 lakh on Inventure Growth and Securities Ltd for not complying with the regulator's circulars and regulations.

The firm is a stock broker and depository participant.

The order follows a comprehensive joint inspection carried out by Sebi with exchanges between April 2017 and May 2018.

The probe found that the firm failed to segregate clients' funds and securities.

The total of clients' funds available with Inventure on all sample dates were lesser than the total credit balance of all of its clients, resulting into mutualisation of credit balance clients' fund, which is not permissible in terms of Sebi's circular.

In addition, it pledged client securities in excess of client's indebtedness and mutualisation were observed.

Inventure failed to settle accounts of active clients within time as per their preferences and also did not settle inactive clients' account. Further, it did not send accurate retention statements to clients, Sebi said in an order.

The firm did not report margin correctly to exchange in F&O and CDS segment. It also failed to send contract notes to clients on several instances and levied excess brokerage on clients in F&O segment, in violation of market norms.

Besides, discrepancies were found with respect to client registration process.

Among others, it did incorrect reporting of net worth to the extent of Rs.2.53 crore to the exchange and there was non-reporting, incorrect reporting, non-uploading and non-submission of details of clients' securities under enhanced supervision, Sebi said.

Accordingly, the regulator levied a fine of Rs.10 lakh on Inventure Growth and Securities for violating market norms on several instances.