To

BSE Ltd.

101, First Floor, Aggarwal Corporate Tower,  
Plot No-23, District Centre, Nr Punjab & Sindh Bank,  
Rajendra Place.  
Delhi-110008.  
  
Ph-25782116-117-118

August, 2015.

**IN THE MATTER OF**

**PINKI ROY Complainant**

**Vs**

**TRUSTLINE SECURITIES Ltd. Broker**

**My complaint**

Trading has been done by consent which was received in Yahoo Chat which is against the conditions in the Account Forms that were signed and I had been lured of returns of up to 10% per month. (EVID\_7)

The Relationship Manager was doing Trading and the documents that TRUSTLINE SECURITIES Ltd., got signed from me was not for PMS (PORTFOLIO MANAGEMENT SYSTEM).(EVID\_21,22,23)

On informing TRUSTLINE SECURITIES Ltd. they did not heed to my complaints. When I asked them for SEBI contact details they said they have resolved all my queries and further threatened me saying they will take legal action against me at my cost.(EVID\_3,6,18,19,20)

**Most Respectfully Showeth:**

1. **Brief history of the case.**

* I had asked SAILENDRA JAIN (Mobile:9810248365,9899242747 Email id : sailendra\_jain@yahoo.com, [BR61@branch.trustline.in](mailto:BR61@branch.trustline.in), insiderstocks@yahoo.com, sumitstocks@yahoo.com) a Relation Ship Manager for some Mutual Fund Scripts to invest in, he told me that his company has a Scheme where the returns were in the range of 3-5-10% per month in July 2010. I believed him as I used to take buy tips from him in the period July 2009-July 2010, and they were quiet good. I trusted his words in good faith.
* Saliendra Jain sent his accomplice Shyam Kumar (Mobile No.:9312275674) to   get the forms signed, I confirmed 3-4 times if it was for the scheme and he affirmatively said yes, and I signed them.
* I transferred the money (4.55L) to my account and Sailendra Jain started trading on my account. Meanwhile I had to move **overseas for some assignment and I came back in Feb 2011**. I realized that I had been cheated by Sailendra Jain and Shyam Kumar, I informed TRUSTLINE SECURITIES Limited and they ignored my mails.
* On repeated mails, their responses to the unauthorized trading was that they had provided all the contract notes and that they had resolved all my queries to my satisfaction.
* In the Account Opening Form which I got from them I saw that the authority they had received from me was for placing orders and not for the Relationship Manager to trade on my behalf.
* I asked them to provide me documents that gave the Relationship Manager to trade, they have refused to provide till date.

**Snippet-1**

[http://www.lawyersclubindia.com/forum/Small-investor-against-illegal-acts-of-big-stock-broker-43864.asp#.U72k2HaKKs4](http://www.google.com/url?q=http%3A%2F%2Fwww.lawyersclubindia.com%2Fforum%2FSmall-investor-against-illegal-acts-of-big-stock-broker-43864.asp%23.U72k2HaKKs4&sa=D&sntz=1&usg=AFQjCNEhSeWdgJgLnFjKNsOb8NG4EasdSA)

      That it is an Unconstitutional clause whereby Company is very cleverly stating that the arrangement between their employee and the investor shall be personal and mutual and the Company cannot be liable for this. This confirms the malafied intentions of the company that they themselves are involved behind the curtain and promoting this illegal act of asking their employees to enter into personal agreements with Investor and doing the illegal trading in the name of portfolio Management at the same time showing to be ignorant what their employees are doing.  This illegal clause is quoted regularly in the NSE Arbitration to mislead the Tribunal and no action is being taken.  It clearly goes against the SEBI regulations that **“*Relationship managers cannot act as portfolio managers by entering into verbal agreement with clients for trading on their behalf”.***

It is also against  **SEBI Act 27. (1)** *Where an offence under this Act has been committed by a company, every  person who at the time the offence was committed was in charge of, and was responsible  to, the company for the conduct of the business of the company, as well as the company,*

*shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.*

**(2)** - *Notwithstanding anything contained in sub-section (1), where an offence under this  Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.*

**Snippet-2**

Unauthorized Trading is becoming a regular practice by the trading member because they know how to take the advantage of the loop holes that still remain loosened by SEBI because of lack of enforcement of SEBI Guidelines in the arbitration / Judicial process. One Basic Rule that will sort our 80% of the cases of unauthorized trading is **already passed by SEBI 3.2 Trade operation 3.2.1 (Trading Members shall ensure that appropriate confirmed order instructions are obtained from the constitutes before placement of an order on the system and shall keep relevant records or documents of the same and of completion or otherwise of these orders thereof. )**

2. **Request for SEBI email Id and contact details denied, instead threatening to take legal action against me at my cost.**

* In Sept 2012 they replied saying they had **solved all my queries up to my satisfaction** they further threatened me by mail stating that if I wrote to them again regarding the same thing they would **take legal action against me for which I would have to bear the cost**.
* With great difficulty when I managed to get the contact details and mail id of SEBI to complain, now they are writing to BSE stating that the 3 year time bar has passed.
* When I had been complaining since 2011 and was asking TRUSTLINE SECURITIES Limited for SEBI contact details and mail id, how can you place a time bar of 3 years and close my case.
* Has SEBI allowed TRUSTLINE SECURITIES Limited to act in this way with the clients so that the time period elapses and get free scot free?

3. **Made the Relation Ship Manager (Sailendra Jain) un-contactable**.

* They are even hiding the Relationship Manager his mobile number and email id. The mobile numbers which were provided by Sailendra Jain were always switched off and now he has got those numbers cancelled the email-ids have been deleted, [BR61@branch.trustline.in](mailto:BR61@branch.trustline.in) bounces the emails. I reported to TRUSTLINE SEURITIES LIMITED and they refused to answer. This clearly shows that all this was done with the blessings of TRUSTLINE SECURITIES LIMITED Management.
* Has SEBI permitted TRUSTLINE SECURITIES Limited to act in this way with the clients. If yes, please provide the text of the SEBI Act.

4. **Not resetting my login credentials.**

* Now  TRUSTLINE SECURITIES Limited does not reset my password and hence I am not able to log into my account.
* Not providing the full set of the Account Opening Form that I have been asking them for, which they got signed from me.
* Has SEBI permitted TRUSTLINE SECURITIES Limited to act in this way with the clients. If yes, please provide the text of the SEBI Act.
* So I had no option but to close my Demat Account in June 2014 when the value of the holding was around Rs 1.08L.Has SEBI permitted TRUSTLINE SECURITIES Limited to act in this way with the clients. If yes, please provide the text of the SEBI Act.

5. **My Responses to the reply of the opposite Party (TRUSTLINE SECURITIES Limited).**

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|  | Opposite Party(TRUSTLINE SECURITIES Ltd.) | Complainant-Arguments(PINKI ROY) |
| 1. | Refer TRUSTLINE SECURITIES Ltd letter dated 25.07.2014  they state that the complaint made by Ms Pinki Roy must not be pursued as the complaint pertains to last trade executed on March 18,2011, i.e. she is complaining to exchange after 3 years of executing trades. Further, the text of SEBI circular no.CIR/MRD/DSA/24/2010 dated August 11, 2010 same may be reproduced as below:-  5. Arbitration  5.1 The limitation period of filing an arbitration reference shall be governed by the law of limitation i.e. The Limitation Act, 1963.  Hence, the complaint of the complainant must be rejected prima facie and therefore the honorable panel is requested to reject the complaint. | 1. I repeatedly asked TRUSTLINE SECURITIES Limited for SEBI contact details for taking my case further up as I was not satisfied with their responses and since I did not find this data on their web-site, they did not provide it, on repeatedly asking them, **they sent a mail saying they have resolved all my queries to my satisfaction and further threatened me that if I wrote to them again they would take legal action against me and that too at my cost.**   **Was this as per SEBI rules**?  **If yes please provide the text of the SEBI Act.**  --Email produced as evidence.(EVID\_4,18,20)  2. With great difficulty when I managed to get the contact details and mail id of SEBI to complain, now they are writing in to state that the 3 year time bar has passed along with the SEBI.  3. When I had been complaining since 2011 and was asking TRUSTINE SECURITIES Limited for SEBI contact details and mail id, how can you place a time bar of 3 years and close my case.  4. Has SEBI allowed TRUSTLINE SECURITIES Limited to act in this way with the clients so that the time period elapses and they get free scot free? |
| 2. | They are providing the  Copy of Member Client Agreement along with mandatory and non-mandatory clause executed as Annexure-1.  Log reports for the contract  notes for confirmation of sending e-contracts to my registered email id as Annexture-2  Copy of statement of Account as Annexure -3.  They are saying that complainant had never raised any objects during the transaction period which stipulates that the complainant is very much aware of the transaction executed in her account on his instruction. | 1. I had complained on 27 Feb 2011, which is much before the March 18, 2011 that they are talking about. I had to ask them to SUSPEND my account to STOP these activities.   --E-mail as evidence.(EVID\_7,EVID\_16)   1. Did the Account Opening Form allow them to trade on my account, did they get all the needed documents signed for trading on my account? 2. Where the call records and copy of Visitors are register which proves that in person visits were made for order execution?   **SEBI 3.2 Trade operation 3.2.1 (Trading Members shall ensure that appropriate confirmed order instructions are obtained from the constitutes before placement of an order on the system and shall keep relevant records or documents of the same and of completion or otherwise of these orders thereof.**)  Snippet-1  [http://www.lawyersclubindia.com/forum/Small-investor-against-illegal-acts-of-big-stock-broker-43864.asp#.U72k2HaKKs4](http://www.google.com/url?q=http%3A%2F%2Fwww.lawyersclubindia.com%2Fforum%2FSmall-investor-against-illegal-acts-of-big-stock-broker-43864.asp%23.U72k2HaKKs4&sa=D&sntz=1&usg=AFQjCNEhSeWdgJgLnFjKNsOb8NG4EasdSA)            That It is an Unconstitutional clause whereby Company is very cleverly stating that the arrangement between their employee and the investor shall be personal and mutual and the Company cannot be liable for this. This confirms the malafied intentions of the company that they themselves are involved behind the curtain and promoting this illegal act of asking their employees to enter into personal agreements with Investor and doing the illegal trading in the name of portfolio Management at the same time showing to be ignorant what their employees are doing.  This illegal clause is quoted regularly in the NSE Arbitration to mislead the Tribunal and no action is being taken.  It clearly goes against the SEBI regulations that **“*Relationship managers cannot act as portfolio managers by entering into verbal agreement with clients for trading on their behalf”.***  It is also against **SEBI Act 27. (1)** *Where an offence under this Act has been committed by a company, every  person who at the time the offence was committed was in charge of, and was responsible  to, the company for the conduct of the business of the company, as well as the company,*  *shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.*  **(2)** - *Notwithstanding anything contained in sub-section (1), where an offence under this  Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.*    Snippet-2  Unauthorized Trading is becoming a regular practice by the trading member because they know how to take the advantage of the loop holes that still remain loosened by SEBI because of lack of enforcement of SEBI Guidelines in the arbitration / Judicial process. One Basic Rule that will sort our 80% of the cases of unauthorized trading is already passed by **SEBI 3.2 Trade operation 3.2.1 (Trading Members shall ensure that appropriate confirmed order instructions are obtained from the constitutes before placement of an order on the system and shall keep relevant records or documents of the same and of completion or otherwise of these orders thereof.** ) |

**Prayer**

**Please help me get my Rs 4.55L with interest of 10% per month till date, along with compensation for the mental harassment given by them.**

**TRUSTLINE SECURITIES Ltd. has taken away my peace of mind and has disturbed me a lot over all these years.**

Regards,

Pinki Roy

C-2/2314

Vasant Kunj,

New Delhi-110070