



भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

GENERAL MANAGER  
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SEBI/HO/ISD/OW/P/DS/24869/2017  
October 10, 2017

Shri Asit Kadyan,  
Advisor (QOS),  
Telecom Regulatory Authority of India,  
Mahanagar Doorsanchar Bhawan,  
(next to Zakir Hussain College)  
Jawahar Lal Nehru Marg,  
New Delhi-110002

Dear Sir,

**Subject: Unsolicited bulk SMSs to investors in securities market**

This is in reference to your email dated September 23, 2017 on bulk messages related to security market.

2. For the purpose of filtering messages from unregistered telemarketers, the following links of the exchanges may be referred to get the list of scrip names and codes:  
BSE- [http://www.bseindia.com/corporates/List\\_Scrips.aspx](http://www.bseindia.com/corporates/List_Scrips.aspx)  
NSE- [https://www.nseindia.com/corporates/content/securities\\_info.htm](https://www.nseindia.com/corporates/content/securities_info.htm)  
MSE- <https://www.msei.in/markets/equity/scripsallowedtrade.aspx>  
It may be noted that the scrip symbols/codes are not same across exchanges.
3. As regards content authentication, it is already envisaged that messages relating to investment advice on securities market will be sent only by SEBI registered entities which are bound to abide by code of conduct and regulations for providing investment advice. Hence, there is no requirement for a separate mechanism for content authentication.
4. The comments of SEBI on TRAI's consultation paper on Unsolicited Commercial Communication are enclosed as **Annexure A**.

Your Sincerely

**Santosh Kumar Sharma**

Encl. : as above

**SEBI comments on TRAI's consultation paper on Unsolicited Commercial Communication**

1. For addressing the issue of traceability of entities involved in sending bulk SMSs, the use of banking channels/RBI recognized digital payment channels may be made mandatory for all the entities who are using bulk SMS/calls facility so that all entities involved are identified and proper audit trail is maintained.
  
2. The regulatory structure should be such that any entity which is dealing with bulk SMSs or telemarketing Calls needs to be registered as intermediary in the hierarchy of the regulatory framework of TRAI. There should be a centralized system to capture the KYC of each bulk SMS sender with biometric authentication of AADHAR. The details of such KYCs may be shared with enforcement agencies like SEBI for the purpose of investigation as and when required.
  
3. Complaints is the main source for identifying the unauthorized entities sending the bulk SMSs or Calls. There should be a centralized mechanism whereby the users are allowed to file complaints online. Based on these complaints there should be mechanism to analyze and identify the sender of such messages. Once such number is identified, upon exceeding of such messages beyond certain identified number (say 5), the sender number should be blocked. Further, action of blacklisting/penalizing the sender may be taken after detailed examination.  

There can be centralized portal or mobile app where the users can file complaint and the same should be user-friendly. This should also have facility to upload the images of messages received by the user.
  
4. TRAI may also consider conducting awareness campaign against such unauthorized communications.
  
5. By default all the users should be registered in "Do Not Disturb" category. A customer need to specifically register for getting the promotional messages/calls. While transactional messages are for the benefit of the customers so there should not be any restrictions on such messages/calls. There can also be a separate category like "Investment advice relating to securities market" and only those customers who have selected such category can receive investment related advice. Strict action may be initiated against entities sending the promotional messages in the name of transactional messages.



6. Any securities market related investment advice should be sent by only SEBI registered intermediaries (including investment advisers, stock brokers, sub brokers, portfolio managers, merchant bankers, research analyst etc). SEBI has created a separate icon on SEBI website titled "Entities permitted to send stock tips using Bulk SMS", which may be referred by the telecom service providers before sending SMSs.
7. The information of unauthorized communication, through bulk SMS/Calls, relating securities market may be shared with SEBI.
8. With respect to bulk international SMSs, TRAI may also have a MOU/agreement with other countries for sharing of information such as KYC or other details of the bulk SMS sender.
9. A separate mechanism may be set up to tackle the misuse of social networking platforms like Whatsapp, twitter, facebook, etc for the purpose of sending unsolicited investment advice relating to securities market.

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