



**Nodal Co-ordination Cell
Informal Guidance**

**Issue No: I/7503/2026
March 20, 2026**

**FRR Shares and Securities Limited
58/59 Bajaj Bhavan,
Barrister Rajni Patel Marg,
Mumbai – 400021
Maharashtra**

Sir/Madam,

Subject: Request for an interpretive letter under SEBI (Informal Guidance) Scheme, 2025

1. This is with reference to your letter dated December 30, 2025 ("Application") seeking informal guidance by way of interpretive letter under the Securities and Exchange Board of India (Informal Guidance) Scheme, 2025 ("Informal Guidance Scheme").
2. In your application under reference, you have, *inter alia*, represented as under:
 - 2.1 FRR Shares and Securities Limited is an intermediary registered with SEBI as trading member of NSE and BSE (SEBI Registration Number: INZ000279232) and Depository participant of CDSL (IND 12068100).
 - 2.2 SEBI has issued circular having reference No. CIR/HO/MIRSD/MIRSD2/CIR/P/2017/108 on September 06, 2017 on Unauthorised Trading by stock brokers. The said circular requires brokers to execute trades of clients only after keeping evidence of client placing such order, which could be, *inter alia*, in the form of
 - a. Physical record written & signed by client,
 - b. Telephone recording,
 - c. Email from authorized email id,
 - d. Log for internet transactions,
 - e. Record of SMS messages,
 - f. Any other legally verifiable record.
3. In this regard, you have requested an interpretive letter on the query – *whether log of client communication (chat) on WhatsApp directing our dealers to buy or sell shares can be considered as log of internet transactions or record of SMS*





messages or legally verifiable record as compliance of requirements given in para III of the SEBI Circular no CIR/ HO/ MIRSD/ MIRSD2/CIR/P./2017/108 dated September 26, 2017.

4. We have considered the submissions made by you in your application. Without necessarily agreeing with your analysis, we are issuing interpretive letter as under:

4.1 It may be noted that SEBI circular dated September 26, 2017 is superseded by SEBI's Master Circular for Stock Brokers SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/90 dated July 17, 2025 ("**SB Master Circular**"). Paragraph 35.2 of the SB Master Circular *inter alia* requires a stock broker to keep evidence of pre-trade confirmation from the client. As per the SB Master Circular, apart from e-mail, log for internet transactions and SMS messages, it also includes any other legally verifiable record.

4.2 Placing the order through WhatsApp communication from the registered mobile number of the clients may be considered as legally verifiable record provided that the records / logs maintained by the broker are retrievable and legally verifiable for the purpose of any investigation or legal proceedings. In case of a dispute, the brokers shall establish the verifiability of such communication in accordance with law applicable for electronic evidence and also comply with other applicable provisions of the SB Master Circular.

5. This letter has been issued with the approval of the competent authority and the guidance is based on the representation made in your Application. Different facts or conditions would require a different result. This letter expresses the relevant Department's position on enforcement action only. It does not express the decision of the Board on the questions presented and does not preclude you from taking any other opinion, as deemed appropriate.

6. You may also note that the above position is expressed only with respect to the guidance sought in your letter under reference in respect of the provisions as referred above and does not affect the applicability of any other law or requirement of any other regulations, guidelines and circulars issued or administered by SEBI or the laws administered by any other authority.

Yours faithfully,


Sudha Ram Thirukonda

