

NATIONAL STOCK EXCHANGE OF INDIA LIMITED**DEPARTMENT : INSPECTION**

Download Ref. No. : NSE/INSP/35412	Date : July 20, 2017
Circular Ref. No. : 312/2017	

To All Members,

Sub: Enhanced supervision- Monitoring of Clients' Funds lying with the Stock Broker

This has reference to SEBI circulars SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016, SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/138 dated December 20, 2016, and Exchange circulars NSE/INSP/33276 dated September 27, 2016, NSE/INSP/33861 dated December 21, 2016 and NSE/INSP/34379 dated March 15, 2017 on Enhanced Supervision of Stock Brokers.

In view of the clarification given by SEBI on June 22, 2017 vide their circular CIR/HO/MIRSD/MIRSD2/CIR/P/2017/64, all Trading Members are required to submit the data towards monitoring of clients funds as on last trading day of every month on or before the next trading day till March 2018. Thereafter, the uploading of that data by the stock broker to the Stock Exchanges shall be on weekly basis. Accordingly, the first submission shall be made for the data as on the last trading day of July 2017 by August 01, 2017 and thereafter on a monthly basis (i.e. data as on last trading day of every month on or before the next trading day) till March 2018. The data to be submitted for this purpose, along with necessary clarifications, is enclosed as **Annexure-A**.

All Members are advised to comply with the above and upload the data electronically every month through the Inspection module in the Member portal which has been developed for this purpose. The procedure for submitting the information is given in **Annexure-B** of this circular.

Members are requested to take note of the below:

1. The above requirement is applicable to all Trading members, except for those who are carrying out only proprietary trading and/or only trading for institutional clients.
2. Members carrying out only proprietary trading and/or only trading for institutional clients will have to give a one-time declaration through the system. However, as and when they execute trades for their non-institutional clients, they have to submit the data as per the above requirements.
3. Members servicing both institutional & non-institutional clients shall be required to submit the data for all clients who are trading through them and have fund balances with the Member.
4. The reporting requirements will not apply in cases of DVP settlement.

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

**Dr. Dinesh Kumar Soni
Head- Inspection & Exchange Compliance
Enclosed: Annexure A & B**

In case of any clarifications, Members may contact our below offices:

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