NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : INSPECTION	
Download Ref. No.: NSE/INSP/36238	Date : November 03, 2017
Circular Ref. No.: 321/2017	

All Trading Members and Clearing Members

Sub : Internal Audit of Trading members / Clearing members

This has reference to Exchange circular Ref no. NSE/INSP/36088 dated October 11, 2017 wherein all trading / clearing members are required to carry out complete Internal Audit for the **half year ended September 30, 2017** and submit the audit report by November 30, 2017.

Members may please note that the existing charges for late/non submission as enclosed as **Annexure-I** shall be applicable for the current audit submission i.e. for half year ended September 30, 2017.

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

CENTRE	CONTACT NO.	E MAIL ID
Ahmedabad	079-49008632	inspectionahm@nse.co.in
Chennai	044-28479915 / 17	inspection_cro@nse.co.in
Delhi	011-23459138/146/127	delhi_inspection@nse.co.in
Kolkata	033-40400411 / 406	inspection_kolkata@nse.co.in
Mumbai	022-25045081/232/264	compliance_wro@nse.co.in
Help Desk	1800 2200 51	compliance_assistance@nse.co.in

For and on behalf of
National Stock Exchange of India Limited

Srijith Menon
Senior Manager – Inspection
Enclosed: Annexure –I

Annexure-1

ACTIONS FOR NON-COMPLIANCE

All members are required to ensure that they submit the internal audit report in the prescribed format as per Annexure I and Annexure-II on or before 30.11.2017 in order to avoid any late / non-submission charges / disciplinary actions.

Based on SEBI directions issued, following late submission charges/ disciplinary actions would be initiated as decided by the relevant authority of the Exchange:

PARTICULARS	ACTION
Non submission of internal audit report to the Exchange within 3 month from the due date of submission of the report	Charges of Rs.100/- per day after the due date till the last day of 3rd month or date of submission of report, whichever is earlier.
Non submission of internal audit report to the Exchange for more than 3 months from the due date of submission of the report	Charges of Rs.1000/- per day from the end of 3 months from the due date till the date of submission of report.
Non submission of Internal Audit Report to the Exchange beyond 6 months from the due date of submission of the report	Disciplinary action as may be decided by the relevant authority which may also include withdrawal of trading facility.

Submission of documents not in the prescribed formats would be construed as non-submission of the said document and non-submission charges would be levied accordingly.

It may also be noted that for non-compliances/ violations reported by the Internal Auditors in their reports along with the management acceptance of the auditor findings, actions shall be initiated by the relevant authority. The details regarding the same have been intimated vide circular NSE/INSP/2011/115 (download reference no NSE/INSP/17356) dated March 28, 2011 which is applicable for the half year ending on 31st March 2011 and onwards.