

National Stock Exchange Of India Limited**DEPARTMENT: INSPECTION**

Download Ref No: NSE/INSP/44641

Date : June 15, 2020

Circular Ref. No: 38/2020

To All Members,

Subject: Cyber Security Audit for Type 1 Stock Broker

Member's attention is drawn to SEBI circular no. SEBI/HO/MIRSD/CIR/PB/2018/147 dated December 03, 2018, SEBI/HO/MIRSD/DOP/CIR/P/2019/109 dated October 15, 2019, Exchange circular no. NSE/INSP/41723 dated July 26, 2019 and NSE/INSP/44150 dated April 17, 2020 in relation to Cyber Security & Cyber Resilience framework for Stock Brokers / Depository Participants.

In addition to the Category of member specified in circular no. NSE/INSP/44150 dated April 17, 2020, Type 1 Stock Brokers, as defined in SEBI circular CIR/MRD/DMS/34/2013 dated November 06, 2013 are also required to carry-out Cyber Security audit for the F.Y. 2019-20.

The link for the submission of Cyber Security Audit report for Type 1 Brokers is activated. The procedure for submitting the report by member and auditor through ENIT module in the Member portal is provided in **Annexure- A** and **Annexure-B** respectively. Timelines for submission of Audit Report is given below :

Audit Period	Last date		
	Preliminary Audit Report submission	Action taken Report (ATR) submission (if applicable)	Follow-on Audit Report Submission (if applicable)
Yearly Submission (April 19- March 20)	July 31, 2020	October 31, 2020	January 31, 2021

Submission of Cyber Security Audit Report shall be considered completed only after trading member submits the report to the Exchange after providing management comments.

The following penalty/disciplinary actions would be initiated against the Member for late/non- submission of Cyber Security Audit Report.

Particulars	Action
Submission within 1 month from the end of due date of submission.	Penalty of Rs. 200/- per day
Submission after 1 month but within 3 month from the end of the due date for submission.	Penalty of Rs. 500/- per day
Non-Submission within 3 months from the end of due date for submission.	Disablement of trading facility across segments after giving 2 weeks notice. Disablement notice issued to the member shall be shared with all the Exchanges for information. Member will be enabled only after submission of Cyber Security audit report.

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

**Manish Sharma
Senior Manager-Inspection**

Enclosure

Annexure A – User guide for Member to submit Cyber Security Audit Report

Annexure B – User guide for Auditor to submit Cyber Security Audit Report

Annexure C – Auditor Selection Norms

Annexure D – Terms of Reference (TOR) for Cyber Security Audit Report

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

Regional Office	CONTACT NO.	E MAIL ID
Ahmedabad (ARO)	079-49008632	inspectionahm@nse.co.in
Chennai (CRO)	044- 66309915/17	inspection_cro@nse.co.in
Delhi (DRO)	011-23459127 / 38 / 46	delhi_inspection@nse.co.in
Kolkata (KRO)	033-40400411 / 06	inspection_kolkata@nse.co.in
Mumbai(WRO)	022-25045264/259/224	compliance_wro@nse.co.in
Central Help Desk	compliance_assistance@nse.co.in	