

National Stock Exchange of India Limited

Circular

DEPARTMENT: INSPECTION	
Download Ref No: NSE/INSP/71579	Date: December 1, 2025
Circular Ref. No: 72/2025	

To All Trading Members,

Sub: Ease of Doing Compliance- Submission of Action Taken Report for non-compliance(s) reported in the Internal Audit Report

All Trading Members are required to submit the internal audit reports to the Exchange on a half-yearly basis i.e. for the half year ended 31st March and 30th September by 31st May and 30th November respectively in accordance with SEBI Circular Ref. No. MIRSD/DPSIII/Cir-26/08 dated August 22, 2008.

At present, monetary penalty/disciplinary actions are initiated against the Trading Members for the non-compliance(s) reported in the internal audit reports, in accordance with penal provisions prescribed by the Exchange from time to time and the Members are also advised to close the non-compliance(s) reported in the internal audit reports in accordance with Clause 13.2.4 and Clause 13.2.5 of SEBI Master Circular dated June 17, 2025.

In order to provide ease of doing compliance and to ensure timely closure of the non-compliances reported in the Internal Audit Reports, the Exchanges in joint consultation with SEBI have prescribed a framework for closure of non-compliances reported in the internal audit report through submission of Action Taken Report.

Under this framework,

- Trading Members shall be required to close all non-compliances reported in the internal audit report within 2 months from the end of due date of submission of Internal Audit Report i.e. due date for submission of Action Taken Report for Internal Audit Period ended March 31 and September 30 shall be July 31 and January 31 respectively.
- Action Taken Report shall be certified by the empanelled Internal Auditor of the Trading Member, confirming the status of compliance and shall cover at least a period of one month for sample verification.
- Action Taken Reports shall be submitted electronically through the Inspection module in the Member Portal under the Internal Audit Tab.

National Stock Exchange of India Limited

- In case the observations are not closed in the Action Taken Report or Action Taken Report has not been submitted within the due date, prescribed monetary penalty/disciplinary actions shall be initiated in accordance with Exchange Circular No. NSE/INSP/70746 dated October 10, 2025 or such other penalty circulars issued by the Exchange from time to time.

The aforesaid framework shall be applicable for all the internal audit reports received from the half year ended September 30, 2025 and onwards.

The detailed procedure for submission of the Action Taken Report in the Member Portal along with relevant guidelines shall be communicated through a separate Circular.

All Members are advised to take note of the above and bring the provisions of this Circular to the notice of their respective internal auditors and ensure compliance of the above requirement.

For and on behalf of
National Stock Exchange of India Limited

Jayalakshmi Iyer
Chief Manager

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

Regional Office	CONTACT NO.	E MAIL ID
Ahmedabad (ARO)	079-65278024/55	inspectionahm@nse.co.in
Chennai (CRO)	044- 66309915/17	inspection_cro@nse.co.in
Delhi (DRO)	011-23459146/ 127/144/ 147	delhi_inspection@nse.co.in
Kolkata (KRO)	033-40400412 / 59	inspection_kolkata@nse.co.in
Mumbai (WRO)	022-61928200	compliance_wro@nse.co.in
Central Help Desk	compliance_assistance@nse.co.in	