National Stock Exchange of India Limited

Circular

DEPARTMENT: INSPECTION	
Download Ref No: NSE/INSP/75421	Date: July 27, 2026
Circular Ref. No: 40/2026	

To All Members,

Sub: Supervisory Oversight and Review of Offer for Sale (OFS) Process

During the review of market oversight activities, it has been noticed that there are certain shortcomings in the process relating to the placement of Offer for Sale (OFS) orders specifically for large-value and institutional orders.

In order to strengthen operational controls, reduce risks associated with order placement and enhance investor protection, trading members are advised to review and strengthen their internal procedures and control frameworks governing OFS transactions.

Further, trading members are advised to ensure the following:

1. **Location and Access Controls**: All terminals used for OFS bidding shall be subject to the same access controls, monitoring mechanisms, and risk management controls as implemented by the member for terminals used in the capital market segment.
2. **Authorized Personnel**: Trading member shall ensure that OFS bids/orders on behalf of clients are placed only through personnel who are authorized to operate capital market trading terminals and whose terminal/user details have been duly registered with the relevant Exchange.
3. **Supervisory Oversight:** All institutional orders without upfront margin shall be reviewed during the OFS bidding window/trading hours to protect the interest of investors and audit trails and records shall be maintained for all OFS-related activities.

Trading Members are also advised to periodically undertake a comprehensive review of their OFS processes and controls and implement necessary enhancement, wherever required, to ensure effective risk management, operational resilience, investor protection, and compliance with applicable regulatory requirements.

Members are advised to take note of the above and ensure compliance.

National Stock Exchange of India Limited

For and on behalf of
National Stock Exchange of India Limited

Kapil Marwah
Associate Vice President

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- 40400404/06	inspection_kolkata@nse.co.in
Mumbai (WRO)	022-61928200	compliance_wro@nse.co.in
Central Help Desk	compliance_assistance@nse.co.in	