NATIONAL STOCK EXCHANGE OF INDIA LIMITED

DEPARTMENT : INVESTIGATION	
Download Ref. No.: NSE/INVG/31729	Date: February 12, 2016
Circular Ref. No.:- 0039/2016	

To All NSE Members

Sub: Modification of Client Codes (All Segments)

This has reference to SEBI circular no. CIR/DNPD/6/2011 dated July 05, 2011, where SEBI has laid down the norms for levy of penalty on modification of Client Codes of trades executed on the Exchange platform. Further, vide circular ref. no. CIR/MRD/DP/29/2014 dated October 21, 2014; SEBI has allowed the Exchange to waive off the penalty for client code modifications where Trading Member is able to produce evidence to the satisfaction of the Stock Exchange to establish that the modification was on account of a genuine error.

SEBI has now communicated vide letter dated February 08, 2016, that Trading Members on whom penalty has been levied for client code modifications during the period from August 1, 2011 to October 20, 2014, can now make a representation to the Exchange seeking reversal/ waiver of penalty levied for client code modifications for genuine errors and that the Exchange shall review the requests for reversal/ waiver as per the guidelines laid down by SEBI in its circular dated October 21, 2014.

Accordingly, Trading Members are requested to note that their requests, in this regard, shall be made to the Exchange within 3 months from the date of this notice i.e. by May 11, 2016. The Trading Members may send the segment wise waiver requests on 'enforcement_review@nse.co.in'. The email shall be accepted only if it has been received from Designated Director or Compliance officer of the trading member. The Designated Director/Compliance Officer shall review the request before forwarding the same to the Stock Exchange and satisfy himself/herself that the review request is fully compliant with the conditions laid down in circular ref. no. CIR/MRD/DP/29/2014 dated October 21, 2014.

The following details are required from the trading members to process the review requests:

1. Trade Log of modified trades in excel format.

2. Letter from both the clients confirming placement/non placement of order.

3. Write up on CLD modification approved process at the trading member end.

4. Any other documentary evidence which the trading member may feel relevant.

5. Also provide details as required in the following format:

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Trade Date	**Client Code in which trade was Wrongly entered**	**Details of Client mentioned in column (2)**	**Modified Client Code**	**Details of Client mentioned in column (4)**	**Details of Wrongly Entered Order**	**Reason for Modification**
		Name: PAN: Address:		Name: PAN: Address:	1.Buy / Sell: 2. Quantity: 3. Name of the Scrip: 4. Trade Value (in Rs.):	

Any review request received after SEBI Circular dated October 21, 2014 and not approved by the Stock Exchange shall not be eligible for further review.

In case of failure to submit the data within the said timeline, no further review request of that period would be considered for granting the waiver of client code modification penalty.

In case of any further queries, members are requested to contact the following officials:
Ms. Shalmali Kulkarni, Mr. Debankur Majumdar
Direct No: 022-26598417/18

For National Stock Exchange of India Ltd.

Sd/-
Avishkar Naik
Chief Manager,
Surveillance