

# National Stock Exchange of India

## Circular

<b>Department: Compliance</b>	
<b>Download Ref No: NSE/COMP/62797</b>	<b>Date: July 05, 2024</b>
<b>Circular Ref. No: 32/2024</b>	

To All Members,

**Sub: Modification to Enhanced Supervision of Stock Brokers and Depository Participants**

SEBI has issued a circular no. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/95 dated July 04, 2024, regarding Modification to Enhanced Supervision of Stock Brokers and Depository Participants. The copy of the said SEBI circular is attached as Annexure.

Members are requested to take note and comply with the same.

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

**Swati Sopare**  
**Chief Manager**

<b>Helpdesk No.</b>	<b>Email ID</b>
1800 266 0050 (Select IVR option – 3)	<a href="mailto:memcompliance_support@nse.co.in">memcompliance_support@nse.co.in</a>

**CIRCULAR**

**SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/95**

**July 04, 2024**

**To,**  
**All recognized Stock Exchanges**  
**All Depositories**

Madam / Sir,

**Sub: Modification to Enhanced Supervision of Stock Brokers and Depository Participants**

1. SEBI, vide Circular no. SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016 (hereinafter mentioned as 'circular') and Master Circular for Stock Brokers dated May 22, 2024 (hereinafter mentioned as 'Master Circular'), *inter alia*, specified timelines for submission of annual audited accounts/net worth certificate by Stock Brokers/Depository Participants as part of monitoring criteria, the details of which are as follows:

<b>Relevant clauses</b>	<b>Existing provision</b>
Para 6.1.1.c (Monitoring criteria for Stock Brokers) of Annexure to Circular and Para 15.8.1.1.c of Master Circular	Failure to furnish Annual Audited Accounts by September 30 <sup>th</sup> of the relevant year
Para 6.1.2.a (Monitoring criteria for DPs) of Annexure to Circular and Para 15.8.1.2.a of Master Circular	Failure to furnish Net worth certificate to Depository for year ending March 31 <sup>st</sup> by September 30 <sup>th</sup>

2. As a step towards ease of doing business, it has been decided to revise the timeline to October 31<sup>st</sup> of the relevant year. Accordingly, the said paras shall be read as under:

<b>Relevant clauses</b>	<b>Modified provision</b>
Para 6.1.1.c (Monitoring criteria for Stock Brokers) of Annexure to Circular and Para 15.8.1.1.c of Master Circular	Failure to furnish Annual Audited Accounts by October 31 <sup>st</sup> of the relevant year
Para 6.1.2.a (Monitoring criteria for DPs) of Annexure to Circular and Para 15.8.1.2.a of Master Circular	Failure to furnish Net worth certificate to Depository for year ending March 31 <sup>st</sup> by October 31 <sup>st</sup>

3. The provisions of this circular shall come into force with immediate effect.
4. The Stock Exchanges/Depositories are directed to:
  - 4.1. bring the provisions of this circular to the notice of their members / participants and also disseminate the same on their websites;
  - 4.2. make necessary amendments to the relevant Bye-laws, Rules and Regulations for the implementation of the above decision;
  - 4.3. communicate to SEBI, the status of the implementation of the provisions of this circular in their Monthly Development Reports.
5. The circular is issued with the approval of competent authority.
6. This circular is issued in exercise of powers conferred under Section 11(1) of Chapter IV of the Securities and Exchange Board of India Act, 1992, and Section 19 of Chapter IV of the Depositories Act, 1996 to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.
7. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category: 'Legal → Circulars'.

Yours faithfully,

**Aradhana Verma**  
**General Manager**  
**Tel. No: 022 26449633**  
[aradhanad@sebi.gov.in](mailto:aradhanad@sebi.gov.in)