

Annexure II

Guidelines and format of Internal Audit Report specifying the minimum scope to be covered.

Sr.No	Particulars	Comments	Remarks of internal auditor	Management Comments(Para wise)	Sample Size
1	Client registration and documentation				
a	Whether KYC, MCA/TPA, RDD are executed in the prescribed formats and the same is executed before execution of trades <i>for the client</i> ?	Yes No			25 clients or 100% whichever is lower
b	Whether UCC is allotted to the client & the same is uploaded to the Exchange <i>with PAN</i> ?	Yes No			25 clients or 100% whichever is lower
c	Whether all fields in KYC including client's financial details are filled in properly?	Yes No			25 clients or 100% whichever is lower
d	Whether proper proof of identity, PAN and proof of address are taken with KYC form?	Yes No			25 clients or 100% whichever is lower
e	Whether any contravening clauses are included in MCA/TPA?	Yes No			25 clients or 100% whichever is lower
f	Whether all the mandatory clauses have been included in MCA/TPA ?	Yes No			25 clients or 100% whichever is lower
g	Whether in person verification of clients is done by the employees of the trading member only?	Yes No			25 clients or 100% whichever is lower
h	If in person verification is done by DP, then whether such DP is the same entity or if one of them is the holding or subsidiary company of other?	Yes No			25 clients or 100% whichever is lower
i	Whether date of verification, name and signature of the official who has done in-person verification and the member's stamp incorporated in the	Yes No			25 clients or 100% whichever is lower

	client registration form?				
j	Whether copies of all the documents executed by client are given to the respective clients?	Yes	No		25 clients or 100% whichever is lower
k	Whether change in address, bank account or demat account is carried out on receipt of written request along with documentary proof from the respective client?	Yes	No		25 clients or 100% whichever is lower
l	Whether client details including financial details are reviewed periodically and updated?	Yes	No		25 clients or 100% whichever is lower
2.	Order management and risk management systems				
a	Whether checks are in place to ensure that no unauthorized orders are executed from any of the terminals?	Yes	No		Audit Period
b	Whether control reports like orders executed away from market price, client-wise / scrip-wise / terminal-wise volumes / exposures are generated to monitor any manipulation or unwarranted activity?	Yes	No		5 days
c	In case of dormant accounts, if the account is reactivated then are there any checks in place to ensure that account is operated by the respective clients only?	Yes	No		Audit Period
d	Whether initial and other margins are collected from respective clients in the prescribed form of funds, fixed deposit receipts, bank guarantees and approved securities with appropriate haircut?	Yes	No		5 days
e	Whether the member has a proper system for reporting the correct client margin collection to Clearing house, in Derivatives segment?	Yes	No		Audit Period

f	Verify whether the margin reported by the member to the Exchange in Derivates segment is actually collected and available in the books of accounts of the member. In case of any irregularity observed, mention the instances wherein wrong reporting of margin collected from clients/trading members was observed.	Yes	No			5 days
g	Whether Risk Management System (RMS) includes policy on margin collection from clients/trading member and the RMS is documented?	Yes	No			Audit Period
h	Whether proper systems are in place to ensure timely collection for pay-in from the respective client as per settlement schedule?	Yes	No			One day
i	Whether proper monitoring mechanism is in place to review long outstanding debit balances in clients' account and recovery of the same? Give age wise analysis of debts outstanding for more than 30 days and the recovery pattern for the same	Yes	No			Audit period
j	Whether member has reported details of client funding, if any, to the exchange within prescribed time limit?	Yes	No			Upload files
k	What are the sources of funds in case client funding is observed?					
l	Whether all institutional trades are routed through custodians by following Straight Through Processing?	Yes	No			Logs of five dates for which trades have been verified
m	What are the reasons for institutional trades not being routed through custodians? Whether any specific pattern is observed for the same?	Yes	No			
n	Whether member has obtained prior approval from the exchange before providing terminal to the clients under DMA facility?	Yes	No			Check the approval letter
o	Whether member has complied with regulatory requirements related to DMA?	Yes	No			2 cases

3	Contract notes, Client margin details and Statement of accounts				
a	Whether contract note are sent within 24 hours of execution of trades	Yes	No		5 days
b	Whether Margin details are sent daily to respective clients	Yes	No		5 days
c	Whether Proof of delivery / dispatch is maintained?	Yes	No		5 days
d	Whether contract notes bear running serial no.?	Yes	No		5 Days
e	Whether all prescribed details including name and signature of authorized signatory, dealing office details and brokerage are contained in contract note?	Yes	No		One day
f	In case contract notes and margin details are sent in electronic form, whether log is maintained?	Yes	No		5 days
g	Whether trail of bounced mails is maintained and physical delivery is ensured in case of bounce mails?	Yes	No		5 days
h	Whether member has complied with regulatory requirements related to Electronic contract notes (ECN)?	Yes	No		5 days
i	Whether complete statement of accounts for funds and securities are issued on a quarterly basis to clients, with error reporting clause? Whether proof of sending the same is maintained?	Yes	No		Quarterly statement for the quarter ended December 31st ,2009
4	Dealing with clients' funds and securities				
a	Whether cash dealings with clients are done by branches / sub brokers?	Yes	No		5 days
b	Whether banker's cheque / demand draft are accompanied with written request from the respective client?	Yes	No		5 days
c	Whether pay-in or pay-out is received from or delivered to respective clients only?	Yes	No		5 days
d	Whether client's funds / securities are transferred to respective clients within one working day of payout from Exchange?	Yes	No		5 days

e	Whether any instance of misutilisation of clients' funds or securities is observed?	Yes	No		5 days
f	Whether any instances were observed wherein pay-in / pay out was received from / made to account other than the respective client account? Whether there are any systems in place to ensure compliance in this regard by the member?	Yes	No		5 days
g	Whether collaterals of clients were pledged with banks / other entities for raising funds? If yes, details of such instances observed are to be given.	Yes	No		Audit period
h	Whether funds raised by pledging client securities were utilised for respective client only? List of instances to be provided in case of non-utilisation of proceeds for respective client?	Yes	No		Highest day of overdraft availed during the audit period
i	Whether Overdraft facility is taken in Client Bank Account ?	Yes	No		Audit period
j	Whether bank book and register of securities are in alignment with bank statements and transaction statements provided by banks and depositories?	Yes	No		Bank reconciliation and beneficiary reconciliation as on end of audit period i.e March 31st 2010
k	Whether dividend and other corporate benefits received on behalf of clients is paid/credited/passed on to the respective clients account?	Yes	No		Audit period
5	Banking and Demat account operations				
a	Whether member maintains separate bank account for client funds and own funds. Also whether member maintains separate beneficiary account for clients securities and own securities?	Yes	No		Audit Period

b	Whether clients funds and securities are segregated from own funds and securities?	Yes	No			Audit Period
c	Are there any instances of use of constituent beneficiary account or client bank account for other than authorized purposes? In case of any irregularity observed, mention the instances in detail.	Yes	No			Audit Period
6	Terminal operations and systems					
a	Whether terminals are provided by the member in its head office, branch office or the office of sub broker?	Yes	No			100%
b	Whether any unauthorized terminal is observed to be allotted? If yes, give complete details?	Yes	No			100%
c	Whether periodic audit of systems and software is conducted by certified system auditor and submitted the system audit report to the Exchange within prescribed time limit?	Yes	No			Latest system audit report
d	Whether terminals are operated by approved persons/approved users with valid NCFM/NISM certification?	Yes	No			100%
e	Whether correct User name, login id, terminal location are reported to the Exchange?	Yes	No			100%
f	Whether internal controls are in place to ensure that the certification of approved users has not expired?	Yes	No			100%
g	Whether prior permission is obtained by member for providing CTCL? Whether member has complied with applicable provision of CTCL?	Yes	No			Check the approval letter
h	Whether updated version of software is used?	Yes	No			Audit Period
i	Whether back up facilities are in place and followed?	Yes	No			Audit Period
j	Whether sufficient system for data security is in place?	Yes	No			Audit Period
7	Management of branches / sub brokers and internal control					
a	Whether survey is conducted by the member for opening / closing of branches?	Yes	No			Audit Period

b	In case of closure, whether advance notice of the same is sent to clients? Proof of the same.	Yes	No			All branches closed during the period
c	Whether there is monitoring mechanism to identify sudden increase / decrease in client level turnover from any specific branch?	Yes	No			Audit period
d	Whether periodic inspection of branch / sub broker is conducted and reports are maintained? What is the follow-up mechanism?	Yes	No			Audit period
e	Whether unregistered intermediation is observed?	Yes	No			Audit period
f	Whether the member has shared commission/brokerage with entities with whom trading members are forbidden to do business / another trading member / employee in the employment of another trading member?	Yes	No			Audit period
g	Whether internal controls exists and are sufficient to cover the risks at the members end?	Yes	No			Audit period
h	Whether Stock broker indemnity policy with standard cover/clauses has been taken ?	Yes	No			Latest insurance policy
g	Investor grievance handling					
a	No. and value of investor complaints					Audit Period
b	Received during the half year					Audit Period
c	Resolved during the half year					Audit Period
d	Pending as on March 31, 2010.					Audit Period
e	Give breakup of the pending investor complaints from branch/Head office/sub broker					Audit Period
f	Comment on investor grievance handling mechanism of the member.					Audit Period
g	Summary on nature of complaints received and action taken by the member					Audit Period
h	What is the duration of the longest pending investor complaint?					Audit Period
i	Whether specific action plan is framed by the member in respect of long pending complaints?	Yes	No			Audit Period

j	Whether designated email id for investor grievance is created and informed to the investors?	Yes	No			Audit Period
k	Whether complaints received on the designated email ID are being addressed?	Yes	No			Audit Period
9	Maintenance of Books of Accounts					
a	Whether prescribed books of accounts, registers and records are maintained Exchange wise, with the required details and for the stipulated period as per regulatory requirement?	Yes	No			Audit period
b	Whether register of securities is maintained client wise-scrip wise?	Yes	No			Audit period
c	Whether exchange wise separate books of accounts are maintained?	Yes	No			Audit period
d	Whether member has dealt with suspended//defaulter/expelled members and entities prohibited from accessing market?	Yes	No			Audit period
e	Whether prior approval has been obtained by member for change in shareholding/directors/constitution?	Yes	No			Audit period
f	Whether prior approval has been obtained in case the member has dealt with another member of the Exchange?	Yes	No			Audit period
g	Whether member has intimated the Exchange in case of they have dealt with member of another stock exchange?	Yes	No			Audit period
h	Whether advertisements are issued after prior permission of the Exchange?	Yes	No			Audit period
i	Whether member maintains and update client master in its back office?	Yes	No			Audit period
j	Whether financial reports of the member has been analysed? Comments on the same.	Yes	No			Audit period

10	Systems & Procedures pertaining to Prevention of Money Laundering Act, PMLA, 2002				
a	Whether sufficient information is obtained in order to identify persons who beneficially own or control securities account?	Yes	No		Audit period
b	Whether the Member has process to verify the identity of the customer and/or the person on whose behalf a transaction is being conducted?	Yes	No		Audit period
c	Whether risk profiling of the clients has been done as per the written down policy of the trading member?	Yes	No		Audit period
d	Whether Member has adopted enhanced due diligence process for High risk clients?	Yes	No		Audit period
e	Whether ongoing due diligence and scrutiny is being conducted for the clients?	Yes	No		Audit period
f	Does the member have clearly defined policy for acceptance of clients and whether it has been ensured that an account is not opened where the member is unable to apply appropriate clients due diligence measures/KYC Policies?	Yes	No		Audit period
g	Whether details of appointment of Principal Officer and change in Principal officer, if any, is intimated to FIU-India?	Yes	No		Audit period
h	Whether member has adopted and implemented written guidelines prescribed under PMLA, 2002?	Yes	No		Audit period
i	Whether Member has adequate system in place to generate alerts based on set parameters for suspicious transactions ?	Yes	No		Audit period
j	Whether Member has identified clients of special category (CSC) ?	Yes	No		Audit period
k	Whether Member has identified clients identification procedures & programs at various stages?	Yes	No		Audit period

l	Whether member has system in place that allows continuous monitoring of transactions ?	Yes	No			Audit period
m	Whether Member has adequate systems & procedures in place to ensure screening of employees while hiring ?	Yes	No			Audit period
n	Whether member has adequate systems in place to scrutinize the alerts and arrive at suspicious transactions?	Yes	No			Check for any one day to see alerts have been generated in accordance with written policy of the member and check the disposal of the same
o	Whether member has appropriate procedures for reporting of suspicious transactions to FIU	Yes	No			Audit period
p	Total no of alerts generated during the half year					Audit period
q	No of STR filed by the member					Audit period
r	As per provisions of Prevention of Money Laundering Act, 2002 whether record of transactions, it's nature and it's value are maintained and preserved as prescribed under Rule 3 of PMLA?	Yes	No			Audit period
s	Whether Member has ongoing training program for employees so that members of the staff are adequately trained in AML and CFT (Combatting Financing of Terrorism) procedure?	Yes	No			Audit period
11	Transfer of trades					
a	Whether any trades were transferred from one client code to another client code or from client code to pro or vice-versa in the back office of the member?	Yes	No			10 days
b	Whether any pattern was observed in case transfer of trades carried out at member's back office?	Yes	No			10 days

12	Margin Trading				
a	Whether member has obtained specific approval from the exchange, in case he is providing margin trading facility to his clients?	Yes	No		Audit period
b	Whether member has complied with regulatory requirements related to margin trading?	Yes	No		Audit period
13	Proprietary Trading				
a	If member is doing pro trading, whether member has disclosed this information to his clients?	Yes	No		Audit period
b	If member is doing pro trading from multiple locations, whether member has obtained prior approval from the Exchange in this regard?	Yes	No		Audit period
14	Internet Trading				
a	Whether member has obtained specific approval from the exchange, in case he is providing internet trading facility to his clients?	Yes	No		Audit period
b	Whether member has complied with regulatory requirements related to internet trading?	Yes	No		Audit period
c	Whether broker has got his system audit done & submitted the system audit report to the Exchange within prescribed time limit?	Yes	No		Audit period
15	Execution of Power of Attorney (POA)				
a	Whether the trading member obtains POA from any of their clients	Yes	No		Audit period
b	If Yes mention no of clients from whom the member has obtained POA				
c	Whether the POA executed with the client is exclusive and does not allow the client to operate the bank and DP accounts?	Yes	No		Audit period
d	Whether POA is given for the limited purpose of movement of funds & securities for meeting payin obligations/ margin obligations of the respective client?	Yes	No		Audit period

e	Whether the POA is in the name of the member or is it in the name of any of its employees or representatives or sub-brokers?	Yes	No			Audit period
f	What are the internal controls adopted by the member to ensure that POA is not misutilised?					
16	Operations of Professional Clearing member/ Members clearing trades of other trading members					
a	Whether all the mandatory clauses have been included in CM - TM agreement?	Yes	No			25 members or 100% whichever is lower
b	Whether Clearing member custodial participant agreements are executed in prescribed formats?	Yes	No			25 members or 100% whichever is lower
c	Whether statement of accounts has been sent to trading member/custodial participants/?	Yes	No			5 days
d	Whether clearing members had collected appropriate and adequate margins in prescribed forms from respective trading members?	Yes	No			5 days
e	Whether Margin collection reported to Exchange is in accordance with margins actually collected from trading member?	Yes	No			5 days
f	Whether exposure allowed to trading members were based on requisite margins available with the clearing member?	Yes	No			5 days
g	Whether interest is charged to the trading member? If yes, what is the basis of interest with complete details like percentage of interest, periodicity of interest charged	Yes	No			5 days
17	Securities Lending & Borrowing Scheme					
a	Whether member has obtained specific approval from the exchange?	Yes	No			Audit Period
b	Whether member has complied with regulatory requirements related to SLBS ?	Yes	No			Audit Period

18	Compliance status of last inspection carried out by SEBI/Exchanges/Internal Auditor				
a	Whether member has complied with the qualifications/violations made in last SEBI inspection report	Yes	No		
b	Whether member has complied with the qualifications/violations made in last Exchange inspection report	Yes	No		
c	Whether member has complied with the qualifications/violations made in last Internal Audit report	Yes	No		
d	Give status of compliance against each qualifications/violations observed in last inspection report of SEBI/Exchange/Internal Auditor				
19	Whether comments on any other area? (Give details of the comments)	Yes	No		

Signature of the Auditor: _____

Membership No: _____

Stamp of the Audit Firm: _____

Points to be noted:

The guidelines prescribed hereunder do not limit the scope of the internal audit. The points mentioned are only indicative in nature and not exhaustive. It however, does not limit the scope of the internal audit. This has been prepared based on the regulatory requirement (as per relevant acts, rules, regulations and circulars) which keep on developing from time to time. The auditors should peruse them and update the scope of the audit.

The report shall also include the following.

1. Management comments

- a) In case of any non compliances/findings/observations/qualifications by the auditor the management responses should be given to the Exchange against each point. Further Para wise comments are required to be given by the management as given in the format above.**
 - b) The trading member to mention the date on which the report has been presented to the Board/Management/Audit Committee/Proprietor for their approval and indicate corrective and preventive actions taken by the management for addressing the deficiencies along with the timeliness of when the agreed suggestions would be implemented.**
 - c) In case of receipt of internal audit reports without management comments / only certificate and no report, the same shall be treated as non submissions.**
2. Improvements brought about in the operations between the last audit and the current audit.
 3. A statement by the auditor that the provisions of SCRA 1956, SEBI Act 1992, SEBI (Stock Brokers and Sub-brokers) Regulations 1992, SCRR 1957, Rules, Bye laws, Regulations, circulars of SEBI, agreements, Bye laws of Exchange (CSE), data security and insurance have been covered in the audit.
 4. Auditor shall specifically declare about direct / indirect interest in or relationship with the member or its share holders / directors / partners / proprietors / management if any and also confirm that they do not perceive any conflict of interest in such relationship / interest while conducting internal audit of the said member.
 5. Membership number allotted by the affiliated professional body should be quoted at the bottom of the report as provided in the format. Each page of the report shall be signed and stamped by the auditor.
 - 6. In case any violations/qualifications/observations are observed by the auditor the same shall be submitted as annexure with complete details**

and should be quantified specifying the no of instances, value etc. and the evidences should be enclosed with the Internal Audit Report.

- 7. Sample size indicated in the format above is minimum sample size. The auditor may increase the sample size as it may deem fit. It is desirable that the sample selected is representative sample of the population.**
- 8. The internal audit report should be submitted to the Exchange as per the report format specified above.**
- 9. In case where internal audit report submitted is incomplete and not as per the guidelines like sample size not given, only certificate submitted without report, same would be treated as non submission of internal audit report. Exchange reserves the right to advise a Member to change it's auditor if quality of the report is not satisfactory or the audit is not carried out as per guidelines.**

Indicative Processes/guidance for verification of respective areas:

1. Client registration and documentation

Checks and balances in place for Execution of Know Your Client (KYC), Member Constituent Agreement (MCA)/Tripartite Agreement (TPA) and Risk Disclosure Document (RDD).

Systems and procedures put in place by member for verification of PAN before opening account

Procedure followed by the member for informing UCC to the clients & uploading to the Exchange

Mechanism to ensure financial details of clients

Procedure adopted for in person verification of clients

Procedure adopted by relationship managers, if any, for procuring new clients

Storage of client registration documents and retrieval mechanism

Procedure adopted for obtaining clients' consent for electronic contract notes

Periodic review of client related information and updation of the same in system

Acquaintance procedure for new clients

2. Order management and risk management systems

Procedure adopted for receipt of orders from clients

Mechanism for order management and execution

Procedure adopted for setting Limits at client level / Terminal level/Dealer level

Policy on Margin collection mechanism and the modes of margin money

Procedure adopted for reporting of client margin collection to clearing house

Review of process adopted for monitoring/recovery of long outstanding debit balances

Procedure adopted for calculation and reporting client funding

Procedure for monitoring institutional trades not routed through custodians

Procedure adopted for providing Direct Market Access (DMA) facility

3. Contract notes, Client margin details and Statement of accounts

Procedure adopted for issuance of contract notes

Adherence to electronic contract note norms, if applicable

Procedure adopted for sending statement of accounts

Procedure adopted for sending margin details to clients

Procedure for maintaining acknowledgement/proof of delivery of contract notes/statement of accounts/margin details to the clients

4. Dealing with clients' funds and securities

Verification of internal controls adopted by the member while accepting banker's cheque / demand draft from clients

Procedure for ensuring that receipts and payment of funds/securities are from/to respective client only

Verification of following books of accounts/records

- Register of Securities
- Bank Statements
- Depository accounts maintained by member
- Client ledgers
- Cash Book
- Bank Book
- Details of records of client securities pledged, if any.
- Underlying for any overdraft/loan account.

5. Banking and Demat account operations

Procedure for segregation of own and clients' funds and securities (in separate accounts)

Internal controls for use of client bank and client beneficiary accounts only for authorized purposes.

6. Terminal operations and systems

Procedure and policy adopted by member before allotment of trading terminals

Due diligence adopted for password security

Procedure in place for audit of systems and software

Periodic updating of version and back up mechanism

System adopted for data storage, security and access

7. Management of branches / sub brokers and internal control

System and Policy followed for opening / closing of branch

Procedure adopted to inform the same to clients

Periodicity and procedure adopted for inspection of branches / sub brokers

Reporting mechanism and mode of informing the inspection observations to branches / sub brokers and Follow up action plan

Policy of fixing of roles and responsibilities of officials in head office, branches and sub-brokers office

Process laid out so as to prevent unregistered intermediation

Documentation of Internal controls and Comments on Internal controls in place

Verification of Stock broker indemnity insurance policy

Sharing of commission/brokerage

8. Investor grievance handling

Mechanism to monitor complaints lodged with branches/Sub brokers

Maintenance of complaints register

Redressal mechanism for complaints registered against the member

Verification of investor grievance register and email id

Internal control for verification of complaints received through the designated email -id

9. Maintenance of Books of Accounts

Prescribed books of accounts, registers and records are maintained Exchange wise, with the required details and for the stipulated period as per regulatory requirement

Internal controls on the process for taking approval of the Exchange

Analysis of financial reports

10. Systems & Procedures pertaining to Prevention of Money Laundering Act, PMLA, 2002

Customer acceptance policy and customer due diligence measures

System in place that allows continuous monitoring of transactions

Process of generation and monitoring alerts

Process for identifying STR (Suspicious Transaction Report) and reporting the same to FIU-India

Processes for verification of alerts with KYC details

11. Transfer of trades

Procedure and system adopted for transfer of trades in the back office

Internal controls for transfer of trades

12. Margin Trading

Procedure and systems in place as per regulatory requirements with respect to execution of agreements and sources of funds for the Member.

13. Internet Trading

Procedure followed for allotting of user id and password, change of password etc.

Internal controls for internet trading

14. Execution of Power of Attorney (POA)

Process adopted for execution of POA

Internal control adopted by the member to ensure that POA is not misutilised.

SEBI references:**1. Client registration and documentation**

	References	Date
SEBI	SEBI/MIRSD/DPS-1/Cir-31/2004 Regulation 7 D	August 26, 2004
SEBI	SEBI/MIRSD/Cir.No.02/2010	January 18,2010
SEBI	MRD/DoP/Cir- 05/2007	April 27, 2007
SEBI	SMDRP/Policy/Cir-39/2001	July 18, 2001
SEBI	MRD/DoP/SE/Cir- 35/2004	October 26, 2004

2. Order management and risk management systems

	References	Date
SEBI	MRD/DoP/SE/Cir-07/2005	February 23, 2005
SEBI	MRD/DoP/SE/Cir- 17/2005	September 02, 2005

3. Contract notes, Client margin details and Statement of accounts

	References	Date
SEBI	Clause B (2) of Code of conduct for Stock Brokers specified under Regulation 7	
SEBI	SMD-1/23341	November 18, 1993
SEBI	SMD (B)/104/22775/93	October 29, 1993
SEBI	SMD/MDP/CIR/043/96	August 5, 1996
SEBI	MRD/DoP/SE/Cir-20/2005	September 08, 2005
SEBI	SEBI/DNPD/143542 /Cir-43/08	November 06, 2008

4. Dealing with clients' funds and securities

	References	Date
SEBI	SEBI/MRD/SE/Cir- 33/2003/27/08	August 27, 2003
SEBI	SMD/POLICY/Cir -06 /03	February 06, 2003
SEBI	Code of conduct for Stock Brokers specified under Regulation 7 of SEBI (Stock Brokers and Sub brokers) Regulations, 1992.	
SEBI	MRD/DoP/SE/Cir- 11/2008	April 17, 2008

5. Banking and Demat account operations

	References	Date
SEBI	Circular No. SMD-1/23341	November 18, 1993.

6. Terminal operations and systems

	References	Date
SEBI	SMDRP/Policy/Cir-49/2001	October 22, 2001
SEBI	SEBI/MRD/SE/15958/2003	August 22, 2003

7. Management of branches / sub brokers and internal control

	References	Date
SEBI	Section 12 of SEBI Act	
SEBI	SMD/Policy/CIR-3/98	January 16, 1998
SEBI	Circular No. Sub-Brok/Cir/02/2001	January 15, 2001
SEBI	Regulation 18 B of SEBI (Stock Brokers and Sub-Brokers) Rules, 1992	
SEBI	SMD/POLICY/CIRCULAR/3- 97	March 31, 1997

8. Investor grievance handling

	References	Date
SEBI	MRD/DoP/Dep/SE/Cir-22/06	December 18, 2006

9. Maintenance of Books of Accounts

	References	Date
SEBI	Rule 15 of Securities Contract Regulation (Rule) 1957	
SEBI	Regulation 17(1) of SEBI (Stock Brokers and Sub brokers) Regulations, 1992	
SEBI	SEBI/MRD/SE/Cir-15/2005	August 4, 2005
SEBI	SEBI/MIRSD/Cir-06/2004	January 13, 2004
SEBI	Rule 4 (c) of SEBI (Stock Brokers and Sub Brokers) Rules, 1992	
SEBI	MIRSD-DR 1/SRP/Cir- 43/28408 /04	December 15, 2004
SEBI	MIRSD/MSS/Cir- 30/ 13289/03	July 09, 2003

SEBI	Clause C (4) & C (5) of Regulation 7	
SEBI	Circular No. SMDRP/Policy/Cir-49/2001	October 22, 2001

10. Systems & Procedures pertaining to Prevention of Money Laundering Act, PMLA, 2002

	References	Date
SEBI	ISD/AML/CIR-1/2008	December 19, 2008

11. Transfer of trades

	References	Date
SEBI	SEBI/MRD/SE/Cir- 32/2003/27/08	August 27, 2003

12. Margin Trading

	References	Date
SEBI	SEBI/MRD/SE/SU/Cir-15/04	March 19, 2004

13. Proprietary Trading

	References	Date
SEBI	SEBI/MRD/SE/Cir- 32/2003/27/08	August 27, 2003
SEBI	SEBI/MRD/SE/Cir- 42 /2003	November 19, 2003

14. Internet Trading

	References	Date
SEBI	SMDRP/POLICY/Cir-06/2000	January 31, 2000

15. Operations of Professional Clearing member/ Members clearing trades of other trading members

	References	Date
SEBI	FITTC/DC/CIR-3468/98	December 03,1998

16. Securities Lending & Borrowing Scheme

	References	Date
SEBI	MRD/DoP/SE/Cir- 31 /2008	October 31, 2008